



**FOREIGN  
BROADCAST  
INFORMATION  
SERVICE**

# ***Daily Report***

---

## **China**

**FBIS-CHI-94-107  
Friday  
3 June 1994**

# Daily Report

## China

FBIS-CHI-94-107

### CONTENTS

3 June 1994

**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

Spokesman Leaves Door Open for Sanctions on North Korea [AFP]	1
DPRK Refutes IAEA Report on Refueling Operations [XINHUA]	1
DPRK Urges Disbanding UN Command in ROK [XINHUA]	1
Yeltsin Admits Debt to Seoul Impedes Cooperation [XINHUA]	2
Russian, ROK Leaders Discuss Expanding Ties [XINHUA]	2
Kim Envisions Partner Relationship [XINHUA]	3
XINHUA Notes Russian-South Korean Accord Signed	3
Moscow To Send Peacekeeping Forces to Abkhazia [XINHUA]	3
Li Ruihuan Receives International Table Tennis Official [XINHUA]	4
Wu Bangguo Leads Delegation To Visit Canada, Cuba [JIEFANG RIBAO 27 May]	4
UNESCO Team Inspects Chengde Summer Resort [XINHUA]	4
President Clinton Meets Italian President [XINHUA]	4
Colombia Protests U.S. Suspending Radar Operations [XINHUA]	5

##### United States & Canada

Rong Yiren Praises President Clinton's 'Wise' Decision [XINHUA]	5
XINHUA Cites Clinton on China Ties, Trade Status Extension	5
President Clinton Notifies Congress of Decision To Renew MFN [XINHUA]	6
Li Peng Receives U.S. Securities Figure [XINHUA]	6
XINHUA Cites Report on Changing American Workforce	6

##### Northeast Asia

TA KUNG PAO Views PRC Participation in Sanctions [Seoul YONHAP]	7
Japanese, PRC Officials Discuss State of Relations [XINHUA]	7
Wu Yi Calls For Early Implementation of Japanese Loan Plan [XINHUA]	7

##### West Europe

London Stock Exchange Seeks Listings Business	
[Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 3 Jun]	8
NPC Delegation Meets With Maltese Prime Minister [XINHUA]	9
XINHUA Interviews Maltese Prime Minister Prior To Visit	9

##### East Europe

Albanian Deputy Foreign Minister Previews Visit [XINHUA]	9
Li Peng Receives Slovenian Foreign Minister [XINHUA]	9
Beijing Mayor Receives Slovenian Foreign Minister [XINHUA]	10

#### NATIONAL AFFAIRS

##### Political & Social

Police Detain U.S. Television Team Near Tiananmen [AFP]	11
Beijing Professor Ding Zilin Launches Hunger Strike [AFP]	11
Report on Leaders' Activities 27 May-1 Jun [XINHUA, etc]	11

CPC Central Discussion Meeting Views 4 Jun Incident [Hong Kong CHENG MING 1 Jun] .....	13
CPC Reportedly 'Upset' by Prodemocracy Trend [Hong Kong CHENG MING 1 Jun] .....	14
Article Views Deng's Health, Political Situation [Hong Kong CHENG MING 1 Jun] .....	16
'Church Activists' Detained; CNN Banned Until 6 Jun [Hong Kong SOUTH CHINA MORNING POST 3 Jun] .....	18
Numbers of Political Prisoners Reportedly Revealed [Hong Kong CHENG MING 1 Jun] .....	19
Spokesman Denies Halt on Individual Tourist Visas [Hong Kong WEN WEI PO 3 Jun] .....	19
Top Guangdong Officials Attend Deng Photo Exhibit [Guangzhou Radio] .....	19
Public Security To Strengthen Control of Migrants [ZHONGGUO XINWEN SHE] .....	20
Article on Recent Increase in Kidnapping Cases [ZHONGGUO TONGXUN SHE] .....	20
Personnel Changes Reportedly Made in Provincial Press [Hong Kong CHENG MING 1 Jun] .....	21
China To Survey Population on Wide Range of Issues [XINHUA] .....	21
Commentator Article on Family Planning Work [XINHUA] .....	21
Commentator Views Expectations of Children, Youth [RENMIN RIBAO 1 Jun] .....	22
Environmental Problems 'Coming Under Control' [XINHUA] .....	23

### Science & Technology

Telecommunications To Receive \$6 Billion of Investment [CHINA DAILY (SCIENCE & TECHNOLOGY SUPPLEMENT) 3 Jun] .....	23
Telecommunications Industry Develops Information Network [CHINA DAILY (SCIENCE & TECHNOLOGY SUPPLEMENT) 3 Jun] .....	24

### Military

Zhang Zhen Emphasizes Training, Cadre Quality [JIEFANGJUN BAO 22 May] .....	25
Beijing Reportedly Developing Laser, Neutron Weapons [Hong Kong CHENG MING 1 Jun] .....	26

### Economic & Agricultural

Zou Jiahua Speaks at National Price Monitoring Meeting .....	26
Urges Continued Price Inspections [XINHUA] .....	26
Says 'Long Way To Go' [CHINA DAILY 3 Jun] .....	27
State Council Vice Premier Inspects Wuhan Auto Plants [ZHONGGUO XINWEN SHE] .....	27
Chen Junsheng Stress Effective Local Land Use [XINHUA] .....	28
Chen Junsheng Comments on Agricultural Coastal Development [XINHUA] .....	28
Economic Coordination Meeting Held in Beijing [XINHUA] .....	29
Guangdong Shuts Down 'Trademark Infringers' [CHINA DAILY 3 Jun] .....	29
Six Southwest Provinces Set Up Appraisal Center [ZHONGGUO TONGXUN SHE] .....	30
Beijing To Build Textile Street [XINHUA] .....	30
'Special Report' Views Agricultural Problems [LIAOWANG 2 May] .....	30
'Persistent Drought' Threatens Harvest in North China [CHINA DAILY 3 Jun] .....	41
State Council Departments 'Ready' To Combat Floods [XINHUA] .....	41
State Council Issues Circular on Forestry Protection [CHINA DAILY 3 Jun] .....	41

## REGIONAL AFFAIRS

### East Region

Four Reported Dead After Anhui Prison Riot [Hong Kong CHENG MING 1 Jun] .....	43
Statistics Show Shanghai 'Largest' Economic Center [XINHUA] .....	43
Shanghai Seeks To Strengthen Financial Services [XINHUA] .....	43
Shandong Institutions Subject To Social Insurance System [Shandong Radio] .....	44

### Central-South Region

Guangdong Urges Vigilance Against 'Hostile Forces' [Guangzhou Radio] .....	44
Guangdong Reportedly Bans Journalists Until After Jun 4 [Hong Kong EASTERN EXPRESS 3 Jun] .....	44
Guangdong Commodities Reserve System Introduced [XINHUA] .....	45
Guangdong Strengthens Environmental Protection [ZHONGGUO XINWEN SHE] .....	45

Henan Secretary Meets NPC Standing Committee Vice Chairman [Zhengzhou Radio] .....	45
Hunan Compiles Laws on Social Stability [HUNAN RIBAO 20 Apr] .....	46

#### Southwest Region

Sichuan's Chongqing Establishes Commodity Reserve System [ZHONGGUO TONGXUN SHE] ..	49
Air Force Deployed To Fight Sichuan Drought [Hong Kong EASTERN EXPRESS 3 Jun] .....	50
Tibet's Namgyai Speaks at CPPCC Closing Ceremony [XIZANG RIBAO 22 May] .....	50
Almost 10,000 Tibetan Youths Have Served in PLA [XINHUA] .....	51

#### North Region

New Acting Mayor Elected in Hebei Province [HEBEI RIBAO 26 May] .....	51
Tianjin's Labor Markets Playing Larger Role [XINHUA] .....	52
Tianjin Reports Successful Anti-Crime Campaign [Tianjin Radio] .....	52

#### Northeast Region

Heilongjiang Secretary Visits Harbin Officials [Harbin Radio] .....	52
Liaoning Implements Reform of Petroleum Distribution System [LIAONING RIBAO 20 May] ...	53

#### TAIWAN

Editorial Views President Clinton's MFN Renewal [Taipei LIEN HO PAO 28 May] .....	54
Ministry 'White Paper' Outlines 10-Year Industrial Policy [CNA] .....	55
Niger President, Delegation Begin Visit [CNA] .....	55
Visit of Lien Chan to Central America .....	56

#### HONG KONG & MACAO

##### Hong Kong

Official Says Human Rights Commission 'Unnecessary' [Hong Kong EASTERN EXPRESS 3 Jun] .....	57
Article Views Future of Pro-Democracy 'Alliance' [Hong Kong SOUTH CHINA MORNING POST 3 Jun] .....	57
Security Police Will Pursue 'Hostile' Elements [Hong Kong CHENG MING 1 Jun] .....	58
Article on Beijing's Plan To Control Media [Hong Kong KAI FANG 1 Jun] .....	59



## General

### Spokesman Leaves Door Open for Sanctions on North Korea

HK0206094394 Hong Kong AFP in English 0903 GMT 2 Jun 94

[Text] Beijing, June 2 (AFP)—China appeared to leave the door open Thursday [2 June] to possible sanctions against Pyongyang, while reaffirming its commitment to resolving the Korean nuclear crisis through negotiation. Fresh "difficulties" had emerged in resolving the crisis but "I don't think things have yet reached a point where the final resort has to be adopted," said Foreign Ministry spokesman Shen Guofeng, giving the first indication that sanctions might be an option if the situation on the Korean peninsula deteriorates further. However, Shen stressed that "at this time" Beijing was opposed "to resorting to means that might sharpen the confrontation."

The row over the nature of North Korea's nuclear programme intensified recently after Pyongyang rejected a request by the UN Security Council to suspend the removal of fuel rods from a five-megawatt reactor, suspected by the United States of being a nuclear bomb factory.

Shen said China's stance that the dispute should be solved through negotiation "remains unchanged." "I believe that as long as the parties concerned remain calm ... the difficulty is likely to be overcome," he added.

North Korea issued a new threat Thursday to withdraw from the nuclear Non-Proliferation Treaty (NPT) if the United Nations and the International Atomic Energy Agency (IAEA) continued to pressure Pyongyang to accede to their nuclear inspection demands. The IAEA says the fuel rod operation at the Yongbyon reactor, 90 kilometers (54 miles) north of Pyongyang, is crucial for determining whether any plutonium has been secretly diverted for military use.

### DPRK Refutes IAEA Report on Refueling Operations

OW0306054394 Beijing XINHUA in English 0456 GMT 3 Jun 94

[Text] Pyongyang, June 2 (XINHUA)—Pyongyang today refuted a report made by the International Atomic Energy Agency (IAEA) that the discharge of spent fuel from a nuclear power reactor has now made it impossible to select fuel rods for later measurements.

A spokesman for the General Department of the Atomic Energy of the Democratic People's Republic of Korea (DPRK) said the operation to discharge the spent fuel in the five megawatt nuclear power reactor started from early May for technical or safety reasons, the NODONG SINMUN reported today.

The whole process is under strict containment and surveillance by the IAEA which installed four monitoring cameras, he said.

"Our core refueling operations are being done in such a manner to maintain the ability to take measurements later," the spokesman was quoted as saying by the KCNA NEWS AGENCY.

He described claims that those later measurements will be very difficult as an attempt to internationalize and politicize a technical issue to pursue a "sinister political purpose."

"If some officials of the agency secretariat declare that the technical possibility of the future measurement of the fuel rods has been lost, we have to take a decisive countermeasure," he said.

The spokesman urged the IAEA secretariat to return to a fair position that is conducive to the settlement of the nuclear issue in the Korean peninsula.

### DPRK Urges Disbanding UN Command in ROK

OW0306070594 Beijing XINHUA in English 0639 GMT 3 Jun 94

[Text] Pyongyang, June 3 (XINHUA)—DPRK Foreign Minister Kim Yong-nam has urged U.N. Secretary General Butrus-Ghali to disband the U.N. command in South Korea in order to establish a new peace arrangement on the Korean peninsula.

The Korean newspaper "NODONG SINMUN" reported today that Kim, also the vice-premier of the Democratic People's Republic of Korea (DPRK), had communicated with Butrus-Ghali on May 28 on the issue.

Kim said an unstable truce has lasted for more than 40 years on the Korean peninsula, but the armistice set up then has now lost its validity because the U.S. has been shipping military equipment into South Korea.

"The situation on the Korean peninsula has become more strained and the possibility of an armed conflict is increasing as the United States has massed huge reinforcements in and around South Korea and stepped up its military action against the DPRK," Kim said in the letter to Butrus-Ghali.

He said that a new peace agreement is needed in order to prevent another war breaking out on the Korean peninsula.

In 1992 DPRK and South Korea signed an agreement on reconciliation, non-aggression, cooperation and exchange but a truce still exists between the DPRK and the United States.

Kim declared that the U.N. command was unrelated to the U.N. peace-keeping mission in South Korea and serves only U.S. strategic aims to isolate and stifle the DPRK and establish control over Asia and the Pacific region.

In 1975, the 30th session of the U.N. General Assembly adopted a resolution, calling for the dissolution of the U.N. command and replacement of the existing armistice with a new peace agreement.

Kim insisted that the U.N. must pay due attention to the DPRK's proposal and take practical measures to disband the U.S. command in South Korea.

On April 28, the DPRK Foreign Ministry issued a statement, proposing the establishment of a new peace mechanism to replace the existing Military Armistice Commission (MAC), but the proposal received no positive response from the U.S..

U.S. representatives claimed that the question of peace and security on the Korean peninsula should be tackled in principle through north-south dialogue in accordance with related agreements reached by the north and south in February 1992.

In another development, the DPRK recalled all the members of the Korean People's Army (KPA) from the MAC in May and set up a KPA Mission at Panmunjom responsible for contacts with the military authorities of the U.S. and South Korea.

#### **Yeltsin Admits Debt to Seoul Impedes Cooperation**

OW0206170194 Beijing XINHUA in English 1552  
GMT 2 Jun 94

[Text] Moscow, June 2 (XINHUA)—Russian President Boris Yeltsin admitted today that the Russian debt to South Korea, which stands at 1.4 billion U.S. dollars, 400 million of which is overdue, is an impediment to bilateral economic cooperation.

Speaking at a joint news conference, the Russian president said, "this serious problem impedes progress in major projects undertaken by the two states."

He cited as an example the construction of a gas pipeline from the Siberian republic of Yakutiya to South Korea.

Other major projects include the development of the far eastern port of Nakhodka and the construction of a trade center in Moscow.

"It is important for us that the president of South Korea treats with understanding the issue of postponing debt payments," Yeltsin said, and added, "Russia has sufficient grounds for an optimistic assessment of the prospects for bilateral relations with South Korea."

The Russian leader stressed, "we have on many occasions stated that we are interested in full-blooded economic relations and would like to see a growth in South Korean investment in our economy, especially in the Far East."

He also expressed the belief that South Korean companies could help convert Russian defense enterprises to civilian production and noted that "considerable understanding" had been reached on issues concerning cooperation during the current Russo-South Korean summit meeting.

At the news conference, Yeltsin made it clear that Moscow would not pay compensation to relatives of the victims of the KAL-007 boeing downed by the Soviet Air Force in the

Far East in 1983, as the crew of the South Korean airliner was to blame for its intrusion into Soviet airspace.

He stressed that the tragedy occurred during "Cold War" times and was triggered by "a combination of a number of circumstances."

#### **Russian, ROK Leaders Discuss Expanding Ties**

OW0306013594 Beijing XINHUA in English 0040  
GMT 3 Jun 94

[Text] Moscow, June 2 (XINHUA)—Russian President Boris Yeltsin and his visiting South Korean counterpart Kim Yong-sam expressed their willingness on Thursday [2 June] evening to expand bilateral cooperation, particularly in the economic sphere.

Speaking at the state dinner in honor of Kim Yong-sam in the Kremlin, the Russian president said "ties between the two countries are developing effectively at present."

But it is necessary to "move ahead" and give "the green light" to all cooperative projects in all spheres of life, Yeltsin pointed out.

He added that this applies first of all to the economic field, particularly since the two countries have opportunities and reserves for this.

Russia wants to see Korea reunified in a peaceful, democratic way as soon as possible, Yeltsin said, expressing hope that a "united" Korea becomes "a reliable partner of Russia."

According to him, relations with Seoul is "one of Moscow's most important priorities in the Asian-Pacific direction."

One of the high priority tasks is to guarantee the non-nuclear status of the Korean peninsula, the Russian leader stated. He recalled that Russia was the first to propose convening an international conference on the issue.

"The conference would seek a comprehensive solution to the nuclear problem as well as specific accords aimed at lessening and eventually eliminating the dangerous confrontation on the Korean peninsula," Yeltsin noted.

Kim Yong-sam said, in turn, that he is quite convinced that "a very bright future lies ahead of us" in Russian-South Korean relations.

"We will surely share a great future together if the advanced technology and vast natural resources of the Russian Federation are combined with the industrial development and business management expertise of (South) Korea," he said.

He said documents concerning the Korean war of 1950-1953, which were handed earlier on Thursday to the South Korean president by Yeltsin, "will stand as a symbol of our firm determination to make a fresh start in our relations, putting behind us our unfortunate past relations during the era of Cold War."

Kim Yong-sam arrived in Moscow on Wednesday afternoon for a four-day official visit to Russia. On Thursday morning he signed with Yeltsin a joint Russian-South Korean declaration at the close of their summit talks in the Kremlin.

#### **Kim Envisions Partner Relationship**

OW0306013694 Beijing XINHUA in English 0058  
GMT 3 Jun 94

[Text] Moscow, June 2 (XINHUA)—South Korean President Kim Yong-sam said here on Thursday [2 June] that South Korea and Russia could be "trusted partners."

Addressing the Federation Council (the upper house of the Russian parliament), the South Korean leader also stressed that "It will be impossible to preserve peace in northeast Asia without Russian cooperation."

Kim Yong-sam arrived in Moscow on Wednesday afternoon for a four-day official visit to Russia. On Thursday morning, he signed a joint Russian-South Korean declaration together with his Russian counterpart Boris Yeltsin during their summit talks.

He told Russian lawmakers that through an "extensive dialogue" with Yeltsin this morning he was convinced that South Korea and Russia could be "trusted partners in quest of greater shared prosperity well into the 21st century."

The South Korean leader said both the two states should cooperate to ensure the success of the reform policies now being pursued in both lands.

He expressed the hope that his current visit will boost Russian-South Korean cooperation that "will make us even better neighbors."

The countries' two-way trade jumped from only 900 million U.S. dollars in 1990 to 1.6 billion last year, Kim Yong-sam said, adding that South Korean businesses have invested 24 million U.S. dollars in 25 development projects in Russia, and as of March 1994, 29 major South Korean companies had established branch offices in the country.

Kim Yong-sam appealed to the Russian lawmakers to actively cooperate in seeking an early solution to the nuclear problem on the Korean peninsula.

#### **XINHUA Notes Russian-South Korean Accord Signed**

OW0206170094 Beijing XINHUA in English 1547  
GMT 2 Jun 94

[Text] Moscow, June 2 (XINHUA)—Russian President Boris Yeltsin and his visiting South Korean counterpart Kim Yong-sam declared today that the relations between the two countries had become a "constructive and mutually complementary partnership."

The two presidents signed a joint declaration at the end of summit talks in the Kremlin this morning.

According to the declaration, Yeltsin and Kim agreed to "give a boost to political dialogue at various levels, including meetings between the heads of state and government, parliamentary leaders and cabinet ministers."

They also agreed to establish a "hot line" between the Kremlin in Moscow and the Blue House in Seoul to maintain close contact between the two heads of state.

The two sides agreed to make joint efforts to combine Russia's advanced technology with the industrial resources of South Korea, encourage investment in the development of Russia's natural resources, and support direct business contacts between the Russian Far East and South Korea, the declaration says.

The two presidents referred to the need for further dialogue between the two sides of Korea to ease tension and strengthen peace, security and stability, and agreed that the unification of Korea should be achieved in a peaceful and democratic manner, through direct talks between North and South.

The South Korean president arrived in Moscow yesterday for a four-day official visit to Russia.

#### **Moscow To Send Peacekeeping Forces to Abkhazia**

OW0306025394 Beijing XINHUA in English 0145  
GMT 3 Jun 94

[Text] Moscow, June 2 (XINHUA)—Russian peacekeeping forces will enter the Abkhaz region on June 3-5 as a buffer to the conflict there between Georgia and the Autonomous Republic of Abkhazia, the INTERFAX NEWS AGENCY reported.

Russian Deputy Defense Minister Georgiy Kondratyev told INTERFAX today that the warring parties both expressed understanding of the move and have no major differences with Moscow over this issue.

Abkhazia proclaimed its independence on July 23, 1992, a step which was rejected by Georgia. Armed conflict between the two sides began after Tbilisi sent troops to Abkhazia on August 14, 1992.

Under an accord signed in Moscow on May 14, the rival parties agreed to be separated in the disputed region and allow the Commonwealth of Independent states (CIS) to deploy troops in the agreed upon security zone.

According to the deputy defense minister, the separation will be achieved in three stages—1,500 Russian soldiers will enter the region in the first stage, followed by the deployment of a of 3,000 CIS troops.

CIS executive secretary Ivan Korotchenya said during his visit to Azerbaijan that Russian President Boris Yeltsin is expected to issue the order to send the peacekeeping troops to Abkhazia on Friday.



### **Li Ruihuan Receives International Table Tennis Official**

*OW0306095294 Beijing XINHUA in English 0929 GMT 3 Jun 94*

[Text] Tianjin, June 3 (XINHUA)—Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), met here today with Ichiro Ogimura, president of the International Table Tennis Federation (ITTF).

Li is also honorary president of the Chinese Table Tennis Association and honorary chairman of the 43rd world table tennis championships organizing committee.

He said during the meeting that the world championships to be held in Tianjin next year will further promote the development of the sport among the Chinese people and will be of importance in promoting the cause of table tennis in the world.

The ITTF president arrived in Beijing after attending an ITTF council meeting which concluded earlier today in Tianjin.

### **Wu Bangguo Leads Delegation To Visit Canada, Cuba**

*OW0206125694 Shanghai JIEFANG RIBAO in Chinese 27 May 94 p 1*

[Unattributed report: "Wu Bangguo Leads a Delegation To Visit Cuba and Canada; Huang Ju and Others See Off the Delegation at the Airport Yesterday"]

[Text] Wu Bangguo, member of the CPC Central Committee Political Bureau and secretary of the Shanghai Municipal CPC Committee, is scheduled to lead a CPC delegation to visit Cuba at the invitation of the Central Committee of the Communist Party of Cuba. During the delegation's visit, Wu Bangguo will exchange views with Cuban leaders on issues of common concern, including their experiences in carrying out reform, opening up, and socialist construction, and discuss ways to further expand Chinese-Cuban bilateral cooperation.

Prior to visiting Cuba, Wu Bangguo is leading a Shanghai delegation to visit Canada at the invitation of the governor of Ontario, Canada, and the Canada-China Trade Council. Shanghai Vice Mayor Sha Lin, together with Song Yiqiao [1345 0308 0294], Xu Zhaochun, Miao Gengshu [5379 5087 2579], and Hu Wei [5170 3555], who are persons in charge of Shanghai's relevant departments, are accompanying Wu Bangguo on his Canadian visit.

During his visit to Canada, Wu Bangguo is scheduled to participate in the opening ceremony of a large "Shanghai Trade Fair" held by Shanghai in Toronto, Canada; to call on officials of the Canadian Government, the Ontario Government, and the Montreal Government; and to meet with figures from Canada's banking and business circles, in order to further strengthen economic cooperation and trade between Shanghai and Canada.

Huang Ju, member of the CPC Central Committee, deputy secretary of the Shanghai Municipal CPC Committee, and Shanghai mayor; Xu Kuangdi, alternate member of the CPC Central Committee, Standing Committee member of the Shanghai Municipal CPC Committee, and vice mayor of Shanghai; Yu Yongliang, Feng Guoqin [7458 0948 0530], and other leaders of the municipality; persons in charge of Shanghai's relevant committees and offices; and Xierda [name as transliterated], acting Cuban consul general in Shanghai, were present at the airport to see the delegation off.

### **UNESCO Team Inspects Chengde Summer Resort**

*OW0206165994 Beijing XINHUA in English 1538 GMT 2 Jun 94*

[Text] Shijiazhuang, June 2 (XINHUA)—United Nations Educational, Scientific and Cultural Organization (UNESCO) experts conducted a two-day tour of the world-renowned Chengde summer resort in north China's Hebei Province.

The inspection team spoke highly of the historical, artistic and cultural value of the resort, one of the biggest palace parks in China.

The team visited the resort to decide whether it can be listed as one of the world cultural heritage and historical sites.

### **President Clinton Meets Italian President**

*OW0306054994 Beijing XINHUA in English 0445 GMT 3 Jun 94*

[Text] Rome, June 2 (XINHUA)—Italian President Oscar Luigi Scalfaro and newly elected Prime Minister Silvio Berlusconi held talks with visiting U.S. President Bill Clinton today on a number of bilateral and international issues.

Clinton arrived here Thursday [2 June] to start his week-long visit to Europe, which takes in France and Britain, linked to the commemoration activities for the 50th anniversary of the D-Day landings in Europe during the Second World War.

In the talks, the leaders exchanged views on bilateral relations and ways of reducing mass unemployment. They also examined the preparations for the summit of the Group of Seven industrialized nations to be held in Italy next month.

Clinton praised Italy for its support for the operation of the Forces of the North Atlantic Treaty Organization (NATO) in Bosnia.

Referring to the proposed increase of permanent seats in the U.N. Security Council, Clinton told Berlusconi that the United States supported the efforts by Japan and Germany to seek a permanent seat each in the Council. He also said that he would not rule out the idea of extending membership to more countries.

Between the meeting with Scalfaro and talks with Berlusconi, Clinton went to the Vatican and met Pope John Paul.

Clinton acknowledged at the news conference that there were "genuine differences" with the pope on abortion and contraception, which the Catholic Church forbids.

The main theme of the talks, according to Vatican sources, was the procedure for a U.N. population conference due to be held in Cairo in September.

The Vatican fears the conference, which is drawing up a 20-year-plan to stabilize world population, will back abortion and contraception.

### **Colombia Protests U.S. Suspending Radar Operations**

OW0306024194 Beijing XINHUA in English 0219  
GMT 3 Jun 94

[Text] Bogota, June 2 (XINHUA)—Colombia notified the U.S. Government that it will not revoke its decision to intercept and shoot down any plane that has been declared suspicious or hostile even if the Pentagon decides definitively it will no longer supply information on unauthorized flights.

The "EL TIEMPO" newspaper revealed today that Colombia's Defense Minister Rafael Pardo Rueda and Air Force Commander Major General Alfonso Abondano Alzamora spoke out publicly and forcefully to that respect.

The minister and commander were in response to the U.S. Government's official information on Tuesday [31 May] that the suspension of U.S. radar operations in Colombia and Peru was due to the fact that the U.S. Defense Department is in disagreement with Colombia's decision and practices in Peru.

Pardo Rueda affirmed that the Colombian Government is not going to suspend its order to Colombia's Air Force to intercept planes without registration numbers, request their flight plan and force them to land if the pilots of those aircraft do not supply the same or shoot them down if they refuse to comply with orders.

He said that the measure is a valuable tool which Colombia is using to prevent drug traffickers and other criminals from violating Colombian air space.

Colombia's Air Force commander lodged a protest over the unilateral suspension of radar operations and said that the U.S. decision was taken without consultation.

It was reported that the U.S. Government is studying the re-establishment of radar services and information for controlling drug trafficking in Colombia and Peru.

### **United States & Canada**

#### **Rong Yiren Praises President Clinton's 'Wise' Decision**

OW0206133694 Beijing XINHUA Domestic Service in Chinese 0807 GMT 2 Jun 94

[By reporter Yang Guojun (2799 0948 6874)]

[Text] Beijing, 2 Jun (XINHUA)—Vice President Rong Yiren met with John Chalsty, president of the Donaldson, Lufkin, and Jenrette Securities Corporation, and his party in the Great Hall of the People today. He expressed the hope that more business people from U.S. securities circles will become involved in China's infrastructure construction and invest in more sectors.

Rong Yiren said: The Chinese and U.S. economies are mutually complementary to a great extent. China has a huge market, and its investment environment is improving. From both the present and long-term points of view, the prospects for trade and cooperation in the economy and technology between the two countries is promising.

Rong Yiren expressed his belief that President Clinton was wise to recently declare the extension of China's MFN [most-favored nation] status and the termination of linking the MFN issue to human rights, saying that this decision is in line with the fundamental interests of the two peoples and is beneficial to promoting Sino-U.S. trade and improving and developing the two countries' relations. Rong Yiren expressed his thanks for the work that the Donaldson, Lufkin, and Jenrette Securities Corporation had done in extending China's MFN status.

Briefing the visitors on the situation of China's reform and opening up in the last decade and more, Rong Yiren said: During the course of accelerating the establishment of a socialist market economic structure this year, the measures that China has adopted in reforming finance, taxes, planning, investment, and foreign trade are going smoothly. The state's revenues have increased, and the currency exchange rate is stable. Although prices have risen, the government has taken effective measures to control prices. Rong Yiren pointed out: We are very prudent in the implementation of various concrete reform measures, and prudence is conducive to bringing about an even more coordinated type of economic development. He said: The current work of the government remains to focus on handling well the relations between reform, development, and stability.

Chalsty said that because of his firm's extremely great interest in the Chinese market, they held successful talks with the State Planning Commission and other relevant Chinese departments on strengthening Sino-U.S. cooperation in various fields.

To our knowledge, the Donaldson, Lufkin, and Jenrette Securities Corporation is one of the powerful securities and investment firms in the United States. The current visit is mainly for the purpose of seeking the opportunity of promoting or expanding cooperation in the power, chemical, telecommunications, iron and steel, aviation, and automobile industries.

#### **XINHUA Cites Clinton on China Ties, Trade Status Extension**

OW0206140694 Beijing XINHUA in English 1350  
GMT 2 Jun 94

[Text] Washington, June 1 (XINHUA)—U.S. President Bill Clinton has pledged to keep more contacts, more business and more international cooperation with China.



"We must see our relations with China within the broader context of our interests in the Asian Pacific region, of which America is an integral part," he said in an article entitled "Isolating China Wouldn't Improve Human Rights" which was published on Tuesday's [31 May] "LOS ANGELES TIMES."

Justifying his decision to extend the most-favored-nation (MFN) trade status to China, Clinton said, "The actions I have taken on China are in the long-term interests of both the United States and China."

"Linking human rights to MFN has taken us as far as it can," he added.

He also noted that "after ten years of argument and veto, we no longer had two China policies—one from the Congress and one from the President—but a single American policy."

On future ties with Beijing, the U.S. President said, "We will have more contacts, more trade, more international cooperation and more intense and constant dialogue on human rights issues."

Clinton also praised China's fast developed economy, saying that a 21st-century economy is taking shape in China, which was the world's fastest growing economy last year.

China is not only a big market for America-produced goods, but also a source of more jobs for American people, he added.

China has a veto in the United Nations Security Council and it is a major factor in Asian and global security, he said in the article, adding that the U.S. and China share important interests in some fields.

#### **President Clinton Notifies Congress of Decision To Renew MFN**

OW0206221994 Beijing XINHUA in English 2212 GMT 2 Jun 94

[Text] Washington, June 2 (XINHUA)—U.S. President Bill Clinton formally notified the congress Thursday [2 June] of his decision to renew the most-favored-nation trading status for China, a White House official said.

The notification was announced in Rome where Clinton is on a visit as part of his eight-day European trip celebrating the 50th anniversary of D-Day.

Earlier on May 26, Clinton told a White House news conference in Washington that he had decided to extend China's MFN and was moving to separate the linkage between human rights and MFN renewal.

The deadline for the President to send a formal notification to Congress is June 3.

#### **Li Peng Receives U.S. Securities Figure**

OW0206132194 Beijing XINHUA in English 1308 GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—Chinese Premier Li Peng, meeting with John Chalsty, president of the U.S.

Donaldson, Lufkin and Jenrette Securities Corporation, voiced the hope here today that the business and financial circles of the two countries will enhance cooperation.

The premier told the U.S. visitors that Sino-U.S. relations have maintained the momentum for improvement, which is the common aspiration of the two peoples and falls in line with the interests of the two nations.

During the meeting, Li briefed them on the country's priorities of development. He expressed the wish that more U.S. businessmen will come and explore means for cooperating with their Chinese partners.

Noting the frequent visits to China by executives of U.S. securities companies, Li said this has shown their keen interest in China's market. All are welcome and will be ensured equal treatment, he added.

Chalsty said his corporation is very pleased with the U.S. extension of China's most-favored-nation trading status.

He said that as two great nations, the U.S. and China should treat each other equally and strengthen cooperation. This is beneficial to both sides.

Chalsty and his party are here to learn about the development of China's industries, such as those producing electricity, chemicals, iron and steel and automobiles, and its policies concerning the use of foreign capital, with the end of exploring cooperative possibilities, sources here said.

#### **XINHUA Cites Report on Changing American Workforce**

OW0206211294 Beijing XINHUA in English 2042 GMT 2 Jun 94

[Text] Washington, June 2 (XINHUA)—Following are several of the important facts on the American workforce, contained in today's report by the commission on the future of worker-management relations:

- In 1993, the U.S. has a civilian workforce of 129.5 million persons;
- The U.S. workforce will grow by 23.5 million persons, or at an annual rate of 1.3 percent, from 1992 to 2005;
- The median age of the U.S. workforce is 36.6 in 1990 and is projected to grow to 40.5 in 2005;
- Now, 15.2 percent of the U.S. workforce is non-whites, with the share of the hispanics reaching nine percent;
- About two-thirds of entrants to the U.S. workforce from 1992 to 2005 are projected to be women and minorities;
- Of the adult labor force aged 25 to 64, half have more than 12 years of schooling, 26.7 percent are college graduates;
- In 1993, 12.9 percent of blacks in the U.S. are unemployed compared to six percent of whites.

### Northeast Asia

#### TA KUNG PAO Views PRC Participation in Sanctions

SK0306091094 Seoul YONHAP in English 0900 GMT 3 Jun 94

[Text] Hong Kong, June 3 (YONHAP)—China will stop supplying food and oil to North Korea as well as halt border trade if the United Nations imposes economic sanctions on Pyongyang, a Chinese-language newspaper published here reported Friday.

The report by TA KUNG PAO, which is supported financially by Beijing, attracted keen attention since it is the first detailed mentioning by a daily widely reputed to be a "virtual Chinese official paper" of China's possible joining in U.N. sanctions against Pyongyang.

In a six-column article titled "Situation on Korean Peninsula Becomes Tense Again," the newspaper said, "If the United Nations decides to impose economic sanctions, China will stop supplying food and oil to North Korea together with border trade involving all other commodity goods."

The newspaper pointed out that, upon a U.N. decision in favor of economic sanctions, the United States will undertake a naval blockade of North Korea while Tokyo stops remittances by pro-communist Koreans in Japan. "North Korea cannot cope with such extensive economic sanctions by China, America and Japan," warned the newspaper.

Urging North Korea to accept outside nuclear inspection, the paper said this would help clear up international suspicions over Pyongyang's nuclear ambitions and improve North Korea's relations with South Korea, the United States and Japan.

North Korea's devastated economy cannot bear any massive war expenses, the paper explained. Should it become engaged in war, its domestic economy would worsen and therefore it should refrain from provoking South Korea.

Should war break out on the Korean peninsula, Russia would not support North Korea as the Pyongyang-Moscow friendship treaty is to be scrapped in two years, the paper said. South Korean President Kim Yong-sam, who is currently visiting Russia, had a series of discussion on the nuclear issue when he met with Russian President Boris Yeltsin, it noted.

However, TA KUNG PAO urged South Korea, the United States and Japan to negotiate with Pyongyang and hold off on the much-talked-about threat of sanctions.

A Hong Kong-based expert on China said the newspaper's report deserves special attention in that it appeared at a time when U.N. sanctions against North Korea are imminent.

The newspaper previously reported that China was persuading North Korea to solve the nuclear problem.

#### Japanese, PRC Officials Discuss State of Relations

OW0206171194 Beijing XINHUA Domestic Service in Chinese 1357 GMT 2 Jun 94

[Text] Tokyo, 2 Jun (XINHUA)—Japanese Foreign Minister Koji Kakizawa met with visiting Chinese Vice Foreign Minister Tang Jiaxuan here today. Both sides had a cordial conversation in a friendly atmosphere.

Koji Kakizawa expressed satisfaction with the smooth development of Japanese-Chinese relations. He held that both sides should strive to build full-blown cooperative relations that are geared to the future and that will make a contribution to world peace. Tang Jiaxuan agreed.

Referring to the incident in which some people in Japan recently made remarks negating Japan's history of aggression, Kakizawa said Prime Minister Hata and he too have made known their positions and adopted measures in this connection. He said: The Japanese Government would like to reiterate that it will continue to work hard for the development of Sino-Japanese relations, while reflecting on Japan's past history.

Tang Jiaxuan reiterated the Chinese Government's principled stand on dealing with history correctly, adding the Chinese Government appreciates the wise attitude adopted by the Japanese Government.

Tang Jiaxuan conveyed to Kakizawa Chinese Vice Premier and Foreign Minister Qian Qichen's regards. Kakizawa expressed his gratitude and said he hoped for an opportunity to visit China.

Tang Jiaxuan is here for the 13th round of regular consultations between the foreign ministries of the two countries. On 1 June, Tang and his Japanese counterpart, Hiroshi Fukuda, exchanged views in a friendly, frank, and deep-going way on Sino-Japanese relations and on international issues of common interest. They achieved consensus on a wide range of issues.

Tang Jiaxuan also met with Yoshiro Mori, secretary general of LDP; Kubo Wataru, secretary general of the Japan Socialist Party; Ichikawa Yuichi, secretary general of Komeito; and Masaharu Gotoda, head of the Japan-China Friendship Club.

#### Wu Yi Calls For Early Implementation of Japanese Loan Plan

OW0206151194 Beijing XINHUA in English 1459 GMT 2 Jun 94

[Text] Tokyo, June 2 (XINHUA)—The Chinese trade minister today urged Japan to implement as early as possible its planned fourth package of yen loans to China through official development assistance, so as to help China with its shift to a market economy.

Wu Yi, Chinese minister of foreign trade and economic cooperation, made the request during a 15-minute meeting

with Japanese Prime Minister Tsutomu Hata in the Japanese Diet (parliament) building, a Chinese trade official said.

The official quoted Wu as saying that yen loans had played a vital role in developing the Chinese economy and in boosting Japanese investment in China since 1979, when Japan began to implement its first package of loans to China.

Hata, who met Wu last November in Seattle, said that Japan should try to develop long-term relations with China based on repentance for its wartime invasion of its neighbor.

He mentioned former Justice Minister Shigeto Nagano's remarks about the war that have been roundly condemned by Japan's Asian neighbors.

Nagano resigned in early May after saying that the 1937 Nanjing massacre never happened and that Japan was not an aggressor during World War II.

The prime minister also hailed the "rapid increase" in bilateral trade, the volume of which reached some 39 billion U.S. dollars last year, an increase of 54 percent over 1992.

Wu, who arrived here on Tuesday [31 May], is on a week-long visit to Japan at the invitation of the minister of international trade and industry. She is also leading a ten-member delegation to the regular conference on investment between China and Japan.

## West Europe

### London Stock Exchange Seeks Listings Business

HK0306063294 Hong Kong SOUTH CHINA  
MORNING POST (BUSINESS POST) in English 3  
June 94 p 1

[By Sheel Kohli in London]

[Text] The London Stock Exchange (LSE) and leading British securities house Smith New Court will be beefing up their programme to capture Chinese business when a high-level delegation from the Shenzhen stock exchange and senior company directors visit London next week.

Both the LSE and Smith New Court are regarded as having suffered during the second batch of 22 Chinese state listings, because British securities houses have not been able to win much business.

All secondary listings outside Hong Kong have been targeted for New York rather than London.

Privately, British securities firms have been smarting from the bias that appears to have been shown to U.S. firms, such as Goldman Sachs and Morgan Stanley, which have done well out of the present tranche of H share listings.

In the three-day trip high-ranking state officials, led by Shenzhen vice-mayor Zhang Hongyi, will meet LSE officials and Smith New Court's chairman Sir Michael Richardson and chief executive Michael Marks.

Liu Xinhua, the deputy commissioner for the Shenzhen Securities and Exchange Commission, and Yu Guogang, the deputy chief executive of the Shenzhen stock exchange, will be part of the delegation.

In addition, directors from some of Shenzhen's largest listed companies will also be attending, including Liu Fengyi, director and vice-president of the Shenzhen SEZ [Special Economic Zone] Real Estate group, and Chen Pingan, director and vice-president of China Bicycle Co Holdings.

They will arrive on Sunday morning and will stay until Wednesday, when the U.S. stockbroker Merrill Lynch is flying the delegation to New York for a similar exercise.

Henry Ingrouille, the London exchange's international relations analyst who will be helping to host the visiting delegation, said London was quickly learning from its mistakes in not encouraging Chinese companies to list earlier, and was now trying to rectify the situation.

The LSE will be stressing the similarity between its listing requirements and that of Hong Kong, given that Hong Kong's system was based on London's.

However, Mr Ingrouille admitted that the stock exchange had sometimes been the victim of circumstance beyond its control.

"There is the political Hong Kong factor. We do get varied messages. Some times we are told that it has no bearing, and then we are told more informally that it does have an impact."

He said that in recent months there had been much greater interest from Chinese companies regarding listing in London, although he admitted that the exchange would be too late to benefit from the present group of 22 state companies that had been lined up for flotation.

Chinese companies are showing an increasing awareness of the capital raising ability of London. Presently there are three bonds fully listed on the exchange, issued by China, the People's Bank of China, and the People's Construction Bank.

Richard Margolis, head of Smith New Court in Hong Kong, said the delegation included seven Chinese companies, including China Bicycle and Shenzhen SEZ Real Estate, and they would be giving presentations at a meeting of the stockbroker's institutional clients.

London's present efforts appear to have begun to pay off, and privately exchange officials expect to see secondary listings of Chinese companies in London within the next year.



Nigel Atkinson, the exchange's head of listings, has just returned from a trip to China, having secured a memorandum of understanding with the Shanghai stock exchange.

Moves are presently afoot to set up a more wide-ranging arrangement with the Chinese Securities and Regulatory Commission.

#### **NPC Delegation Meets With Maltese Prime Minister**

OW0306052894 Beijing XINHUA in English 0347  
GMT 3 Jun 94

[Text] Valletta, Malta, June 2 (XINHUA)—Maltese Prime Minister Edward Fenech Adami and vice-prime minister Guido de Marco met here today with vice-chairman of the Chinese National People's Congress (NPC) Wang Guangying to discuss relations between the two countries.

During the meeting, Adami and de Marco affirmed the longstanding cooperation between China and Malta in various fields and expressed admiration for China's achievements in economic reforms.

Speaking on the same occasion, Wang expressed appreciation for Malta's persistence in maintaining national independence, efforts in developing the economy and contributions in international affairs.

Wang and an accompanying NPC delegation are expected to leave for home on Friday after their Malta visit.

#### **XINHUA Interviews Maltese Prime Minister Prior To Visit**

OW0306055794 Beijing XINHUA in English 0535  
GMT 3 Jun 94

[Text] Valletta, Malta, June 3 (XINHUA)—Maltese Prime Minister Edward Fenech Adami said that he will seek an approach to even better Maltese-Chinese relations during his upcoming visit to China on June 6-11.

In an interview with XINHUA NEWS AGENCY on the eve of his visit, the prime minister also recalled his first visit to China in 1978. "Even when I came to China as an opposition leader, I realized the importance of promoting our bilateral relations."

The coming visit will give him the opportunity to exchange views on bilateral and multilateral cooperation with Chinese leaders, Adami added.

The Prime Minister pointed out that great potential exists for the two countries to further strengthen their economic cooperation.

Commenting on Malta's domestic economic policy, Adami said the national economic structure is undergoing readjustment and transformation, and that government efforts to encourage private enterprise and liberal trade have produced fine results.

Despite wide-spread recession in Western Europe, the Maltese economy has performed relatively well, with a low

unemployment rate of four percent and steady development in tourism and the electronics industry, the prime minister said.

At the moment, Malta is seeking European Union membership which, he underlined, will have great political and economic significance for his country.

On the Mediterranean situation, the Maltese official suggested that the Mediterranean nations should strengthen their ties and set up a permanent organization to facilitate cooperation and dialogue.

He also acknowledged some potentially dangerous situations in the region and warned against those negative factors that could degenerate into conflict.

Adami hailed the peaceful solution to the Palestinian issue as very positive, and expressed the hope that the Palestinian-Israeli accord will produce good results.

### **East Europe**

#### **Albanian Deputy Foreign Minister Previews Visit**

OW0306100094 Beijing XINHUA in English 0910  
GMT 3 Jun 94

[Text] Tirana, June 3 (XINHUA)—Albania values the "positive development" in its relations with China, said Albanian Deputy Foreign Minister Arjan Starova upon his departure for a visit to China today.

China, a permanent member of the U.N. Security Council, is a country with great potentials, Starova told reporters.

Starova is going to China for a regular working consultation with the Chinese Foreign Ministry officials.

He said he will discuss bilateral relations and the situation in the Balkan region with Chinese officials.

He will also sign a protocol on regular consultations between the two countries' Foreign Ministries.

#### **Li Peng Receives Slovenian Foreign Minister**

OW0206133394 Beijing XINHUA in English 1302  
GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—Chinese Premier Li Peng said here today that China is willing to contribute to the early realization of peace and stability in the former Yugoslavia with the joint efforts of the international community.

Li made the remarks in a meeting here this afternoon with Slovenian Deputy Prime Minister and Minister of Foreign Affairs Lojze Peterle and his party.

The premier noted that conflicts in that region are one of the negative effects left by the Cold War. After the Cold War, the world has not become as peaceful as some people have imagined.

The fact is that the world has witnessed a rise of destabilizing factors, such as national disputes, regional conflicts

and economic discrepancy. This has been shown all too clearly in the former Yugoslavian region, Li said.

China is concerned about the evolution of the Bosnia-Herzegovina situation, he added.

China holds that international conflicts should be settled through peaceful means and that the sovereignty and territorial integrity of each country involved be respected, and the rights and interests of its minorities be protected, he said.

Though far away from Europe, China sincerely hopes that Europe attains peace and stability, Li said.

Peterle expressed his appreciation for this stance of the Chinese side, adding that Slovenia also hopes for a just and fair solution to the conflicts in the former Yugoslavia.

During the meeting, Li extended a welcome to Peterle on his first visit to China.

Li also recalled his meeting with Slovenian Prime Minister J. Drnovsek while attending the world environment and development conference in 1992. He asked Peterle to convey his best wishes to his Slovenian counterpart.

The Chinese premier invited Drnovsek to visit China within the year. Peterle said that Drnovsek is looking forward to that visit.

Peterle told Li that he was pleased to be here and his talks with Chinese officials have been satisfactory.

He voiced the belief that the bilateral relations will be enhanced in the future.

Later in the afternoon, Chen Muhua, vice-chairperson of the Standing Committee of the Chinese National People's Congress, met with Peterle and his party.

#### **Beijing Mayor Receives Slovenian Foreign Minister**

*OW0306091094 Beijing XINHUA in English 0902  
GMT 3 Jun 94*

[Text] Beijing, June 3 (XINHUA)—Mayor Li Qiyang of Beijing met here today with visiting Slovenian Deputy Prime Minister and Foreign Minister Lojze Peterle and his party.

Peterle and his party are scheduled to leave here for east China's Jiangxi Province this afternoon.



## Political & Social

### Police Detain U.S. Television Team Near Tiananmen

HK0306064294 Hong Kong AFP in English 0614 GMT 3 Jun 94

[Text] Beijing, June 3 (AFP)—Police detained a team of three journalists from the U.S. television network CBS near Beijing's Tiananmen Square on Friday and held them for two hours, one of the journalists said.

The American journalists and their Chinese driver were taken to a police station for an identity check and questioning after filming on the square ahead of the fifth anniversary of the June 4, 1989 crushing of the pro-democracy movement.

All their videotape was confiscated, the journalist told AFP, adding that police had accused the CBS team of working without authorization and having filmed the heavy security deployments on the square.

Fearing incidents commemorating the massacre, the government has stepped up police surveillance around the Chinese capital.

### Beijing Professor Ding Zilin Launches Hunger Strike

HK0306083394 Hong Kong AFP in English 0809 GMT 3 Jun 94

[Text] Beijing, June 3 (AFP)—Beijing University professor Ding Zilin has launched a two-day hunger strike in protest at heavy police surveillance of her home, ahead of the fifth anniversary of the Tiananmen Massacre, a source said Friday.

A tearful Ding, whose son Jiang Jieliang was shot by soldiers on June 3, 1989, said she and her husband Jiang Peikun had only drunk water since after dinner Thursday, according to a reporter who succeeded in telephoning the protesters Friday despite official efforts to isolate them.

Jiang Peikun, also a professor, said this week that if police officers outside their home had not left by Thursday the couple would begin their protest at 6:25 p.m. (1025 GMT) and continue until Saturday, the anniversary of the army's crushing of pro-democracy demonstrators on June 4, 1989.

The hunger strike's starting time marks the moment of the birth of Jiang Jieliang, who celebrated his 17th birthday one day before being killed.

The couple lit candles on a birthday cake Thursday to mark what would have been his 22nd birthday.

"My son was shot between 11:05 and 11:15 pm on June 3," Ding, a 57-year-old philosophy professor who suffers from heart problems, told this reporter. "I don't know when he actually stopped breathing. I will continue to fast till June 4 because I want to commemorate others who died with him," she said.

Ding said her heart had been bothering her Thursday night but insisted that she was now better and lying in bed very calmly. The reporter said however that Ding was crying and sounded weak and shaky.

The number of plainclothes police visible from her window had increased from about four to eight Thursday night, the professor said, confirming that the reporter was the only person to succeed in calling her in almost 24 hours. The authorities began blocking all incoming and outgoing calls to Ding's apartment around midday Thursday. "The police don't want people to know what I'm doing," she said.

Jiang said Thursday that police had followed him and his wife everywhere in recent days and harassed anybody who tried to visit them.

The couple sent an appeal to the Chinese Government last week to restore their freedom.

The houses of all dissidents and their families have been placed under heavy surveillance recently, as part of an intense security clampdown here in the run-up to the anniversary of the massacre.

### Report on Leaders' Activities 27 May-1 Jun

OW0306021094 Beijing XINHUA Domestic Service in Chinese 1128 GMT 27 May 94

[Editorial Report] PRC media monitored by Okinawa Bureau carried the following reports on PRC Central leadership activities from 27 May to 1 June 1994. The source is noted in parentheses after each report.

**Song Jian Greets Founding of Technology Promotion Training Center**—The China Center for Training Youth To Promote Spark Plan-Related Technology was officially founded in Beijing on 27 May. Song Jian, state councilor and minister in charge of the State Science and Technology Commission, sent a congratulatory message on the center's founding. The center, which was jointly set up by the Communist Youth League (CYL) Central Committee, the State Science and Technology Commission, and the Beijing Municipal CYL Committee, will train youth to help promote technology in rural areas under the "Spark Plan," which is designed to popularize science and technology in the countryside. (Beijing XINHUA Domestic Service in Chinese 1128 GMT 27 May 94)

**Xie Fei Meets Honored Police Officer**—The Armed Police Force recently signed a citation in honor of a police officer from Guangdong who was seriously wounded while grappling with an armed criminal. The Guangdong Provincial Armed Police Corps held a commendation meeting on 27 May. Prior to the meeting, Xie Fei, member of the CPC Central Committee Political Bureau and secretary of the Guangdong Provincial Party Committee, met with the police officer. (Beijing XINHUA Domestic Service in Chinese 1144 GMT 27 May 94)

**Tian Jiyun Hails Insurance Company's Achievements**—Pingan Insurance Company has generated "good social and economic benefits" through reform and innovation

since its inception six years ago. Tian Jiyun and Chen Muhua on 27 May attended festivities marking the company's founding, during which they congratulated the company on its achievements over the past six years. (Beijing XINHUA Domestic Service in Chinese 1251 GMT 27 May 94)

**Xie Fei Attends Opening Ceremony for Deng Xiaoping Photo Exhibition**—Xie Fei, member of the CPC Central Committee Political Bureau and secretary of the Guangdong Provincial Party Committee, on 28 May attended the opening ceremony for an exhibition featuring photographs of Deng Xiaoping during various historical stages, ranging from the new democratic revolution through the socialist construction period to his 1992 tour of southern China. (Beijing XINHUA Domestic Service in Chinese 0818 GMT 28 May 94)

**Jiang Zemin Pens Museum Signboard**—The Liangzhu Culture (a type of culture in China during the New Stone Age) Museum opened in Yuhang City, Zhejiang Province on 28 May. Jiang Zemin wrote the museum's signboard in calligraphic style. (Beijing XINHUA Domestic Service in Chinese 1354 GMT 28 May 94)

**Jiang Zemin Writes Inscription for PLA Company**—The 9th Red Company under a certain unit in the Shenyang Military Region has promoted its own comprehensive development by studying Deng Xiaoping's theory on building socialism with Chinese characteristics. Jiang Zemin, chairman of the Central Military Commission, wrote an inscription for the company, which reads: "Carry forward the Red Army's tradition, cherish historical glory, study revolutionary theory well, and build a competent company." (Beijing Central People's Radio Network in Mandarin 2230 GMT 28 May 94)

**Jiang Zemin, Zhu Rongji, Liu Huaqing, Wu Bangguo Greet Shanghai Paper Anniversary**—A ceremony was held on 28 May to mark the 45th anniversary of JIEFANG RIBAO's publication. Party and government leaders Jiang Zemin, Zhu Rongji, and Liu Huaqing, as well as Shanghai leaders Wu Bangguo and Huang Ju, sent inscriptions or congratulatory messages. Jiang Zemin's inscription reads: "Guide people through correct public opinion." Zhu Rongji's congratulatory message reads: "Do not be content with remarkable achievements. Always maintain the attitude of a public servant and the position of the party's mouthpiece. Reflect people's suffering, champion social justice, become the barometer that reflects political and economic developments, and serve as a good teacher and helpful friend to people." Liu Huaqing's inscription reads: "The party's mouthpiece and the people's voice," whereas Wu Bangguo's reads: "Maintain the correct direction of public opinion and improve the journalistic ranks." (Shanghai People's Radio Network in Mandarin 2300 GMT 28 May 94)

**Ding Guangen Concerned About Cultural Project**—Following the initiation in 1991 of a project by the CPC Central Committee's Propaganda Department to encourage the annual production of good books, plays,

movies, television dramas, and articles, a "relatively well-developed" sector, which comprises a leadership body and 1,000 or so literary and art workers engaged in the production of such works, has initially come into existence. Ding Guangen, member of the CPC Central Committee Political Bureau and Secretariat, showed "deep" concern for the project. (Beijing Central People's Radio Network in Mandarin 2230 GMT 29 May 94)

**Hu Jintao Sends Greetings to Henan Association**—Anyang city, Henan, marked the 10th anniversary of the founding of the Association for Nurturing the Next Generation on the eve of 1 June. Hu Jintao, member of the Standing Committee of the Political Bureau and the Secretariat of the CPC Central Committee, and other leaders concerned sent congratulatory cables on the occasion. (Beijing Central People's Radio Network in Mandarin 1030 GMT 30 May 94)

**Jiang Zemin, Li Peng Receive Female CPC Member**—A female CPC member in Lingao County, Hainan Province has spent the past 20 years taking care of two blind brothers in her hometown. Party and government leaders Jiang Zemin and Li Peng met with her on unspecified dates. (Beijing Central People's Radio Network in Mandarin 1030 GMT 30 May 94)

**Jiang Zemin, Li Peng, Peng Peiyun Meet Children**—A total of 200 children who participated in nationwide aid-the-weak-and-poor activities visited the Zhongnanhai compound on 31 May. Jiang Zemin, general secretary of the CPC Central Committee; Premier Li Peng; and State Councilor Peng Peiyun greeted the youngsters. "Jiang Zemin said loudly: 'Very glad to see you, children.' Li Peng said: 'It seems we have turned young.'" (Beijing XINHUA Domestic Service in Chinese 1050 GMT 31 May 94)

**Zhang Wannian, Other Military Leaders Visit Nursery Schools**—On the eve of International Children's Day, leading comrades from the People's Liberation Army's (PLA) General Staff, Political, and Logistics Departments visited nursery schools affiliated with their respective departments. Zhang Wannian, director of the PLA General Staff Department, watched a "brilliant" show staged by his department's Bayi Theatrical Troupe. Yu Yongbo, director of the PLA General Political Department, attended get-togethers with preschoolers at affiliated nursery schools. Fu Quanyou, director of the PLA General Logistics Department, urged the departments concerned to improve the material well-being of children and nursery school teachers. (Beijing XINHUA Domestic Service in Chinese 1057 GMT 31 May 94)

**Peng Peiyun Watches Children's Performances**—An evening party featuring performances pegged to International Children's Day was held at Zhongnanhai on 31 May. State Councilor Peng Peiyun watched the shows. (Beijing XINHUA Domestic Service in Chinese 1229 GMT 31 May 94)

**Li Lanqing Writes Inscription for Tibetan Teachers' Award**—The Foundation for Aiding Tibet's Development and the Qingsong Cigarette Factory in Guizhou Province

jointly established "Sacred Temple Award" on 31 May. The award will go to "outstanding" teachers who have carried out educational work for 15 years or more in Tibetan-inhabited areas in Tibet, Qinghai, Sichuan, Gansu, and Yunnan. Li Lanqing, member of the CPC Central Committee Political Bureau and vice premier of the State Council, and Ngapoi Ngawang Jigme, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, wrote Chinese- and Tibetan-language inscriptions to mark the award's creation. (Beijing XINHUA Domestic Service in Chinese 1301 GMT 31 May 94)

**Zhu Rongji, Buhe, Chi Haotian Watch Air Force Children's Performances**—Accompanied by Air Force Commander Cao Shuangming and Political Commissar Ding Wenchang, Zhu Rongji, member of the CPC Central Committee Political Bureau Standing Committee and vice premier of the State Council, on 1 June watched with "keen interest" performances staged by the Air Force's Lantian Children's Theatrical Troupe. Lei Jieqiong, Buhe, Chi Haotian, and Hong Xuezhi also watched the performances. (Beijing XINHUA Domestic Service in Chinese 1356 GMT 1 Jun 94)

**Jiang Zemin Writes Inscription for Shanghai Radio Station**—Jiang Zemin, general secretary of the CPC Central Committee and state president, wrote an inscription marking the 45th anniversary of the Shanghai People's Broadcasting Station's founding. His inscription reads: "Develop the broadcasting industry to serve the cause of building socialism with Chinese characteristics." (Shanghai People's Radio Network in Mandarin 2300 GMT 1 Jun 94)

#### **CPC Central Discussion Meeting Views 4 Jun Incident**

HK0206131194 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 pp 11-12

[Article by Yueh Shan (1471 1472): "Reviewing the Causes of the 'Turmoil,' Diehards Insist That the Massacre Was Correct"]

[Text] There are different opinions within the CPC on the 4 June massacre. The diehards insist that the massacre was "reasonable." This finds full expression in their analysis of and conclusions on the causes of the 1989 "turmoil."

In mid-December 1993, a discussion meeting was held by the General Office of the CPC Central Committee to review and sum up the causes of the political "turmoil" in 1989. Also attending the meeting were such institutions as the Policy Research Office of the CPC Central Committee, the Policy Research Office of the State Council, the Policy Research Office of the Chinese Academy of Social Sciences, the International Relations Research Institute, and the Information Institute of the Ministry of Public Security.

The subjects discussed at the meeting included the main causes of the evolution of the "political turmoil" in 1989, the current unstable factors inside the country, and their

relationship with external factors. The meeting also drew conclusions on the serious deviations of bureaucratism and rightism in the party's work. The material on the meeting, although a bit out of date, remains useful for reference.

When reviewing the main causes of the 1989 political turmoil, the meeting enumerated six points.

First, it was correct that the party focused its work on economic construction, but the party neglected the existence of the hostile forces in society, which continued to organize activities with the support of certain external forces from 1984.

Second, from the central to local levels, the party leaders neglected the existence of the ideological struggle between the right and the wrong; and for a certain period, neglected and even negated the existence of the ideological trend to oppose the "four cardinal principles" inside the party.

Third, a number of bureaucratic and corrupt elements inside the party and government leading organs violated and disrupted the party's established principles and policies, and thus harmed the relationship between the party and the masses.

Fourth, a considerable number of party organizations gave up political and ideological studies and did not properly consolidate themselves. After criticizing and correcting the previous ultraleftist line of putting politics in command, they slipped into the rightist deviation of regarding political and ideological work as useless. So they were bogged down in a helpless position and became panic-stricken when the turmoil occurred.

Fifth, some people inside the party neglected the fact of the U.S. hegemonists' nature and basic strategy of subverting, infiltrating, and interfering in socialist China; and they even neglected the fact that the United States had never stopped its ideological infiltration aimed at effecting peaceful evolution in China.

Sixth, some party leaders tried to split the party, and they used the turmoil and the party's lack of preparation against the turmoil to divert people's attention from the serious mistakes in their work and style. They even did not scruple to split the party and support the turmoil.

Only the third of the above-mentioned six points is somewhat pertinent. This showed that the diehards inside the CPC did not have any guilty conscience for the social unrest in 1989 and the 4 June massacre; on the contrary, they just put the blame on the so-called "hostile forces," "hegemonists," and "splittists" (referring to Zhao Ziyang). How ridiculous this is!

They also summed up four external factors:

First, the hostile elements inside and outside the country and inside and outside the party made use of the problems in the implementation of the party's line in the realm of superstructure and the rightist deviation of the party leadership to create public opinion against the party's leadership and against socialism.



Second, the hegemonist forces and power politics represented by the United States used the opportunity of China's concentrating on economic construction to instigate, abet, and support domestic hostile forces to stir up trouble and create turmoil in order to overthrow the current socialist system, to oppose the leadership of the Communist Party, and to make China follow the system of the United States.

Third, the Western mass media continued their habitual practice of cooking up rumors and creating sensational events in their anti-China and anticommunist propaganda so that they played a role in adding fuel to the flames and aggravating the seriousness of the events.

Fourth, hostile elements in Hong Kong, Taiwan, and overseas areas took advantage of the turmoil to create sensational news, thus instigating people who were not aware of the true facts to donate money in order to achieve their anti-China and anticommunist purpose and to aggravate the turmoil in China.

The so-called "external factors" were also based on the stereotypical "class analysis" method and "class struggle" theory. They did not mention the actual and important external factor. That is, in the contemporary world, democracy has become a historical trend, and the autocratic system is at its last gasp. Why did the CPC authorities not dare to face this reality squarely?

The meeting pointed out the unstable factors and the possibilities inside China:

First, the rightist deviation still existed in the thinking and routine work of some party organizations in terms of being alert to the activities of hostile forces and their destructive effects.

Second, the bureaucratic style of work of some party and government institutions produced very bad effects among the masses, and the relationship between the party and the masses had yet to be further improved by initiatives taken by the party.

Third, although corruption and abuse of power among party and government cadres were rectified to a certain degree, the state of affairs was not improved to the degree of winning trust and support from the masses.

Fourth, the price hikes aroused discontent among cadres and the masses, who hoped to improve their living conditions.

Fifth, there were difficulties in the implementation of the rural and agricultural policies; and local leaders had certain wrong ideas about the rural work and the issues concerning the peasants. This led to certain problems in the rural work.

Sixth, the exodus of the rural population and the increasing jobless population in society added pressure to society as a whole and caused problems in law and order.

Seventh, although the hostile forces in society did not act as flagrantly as before, they were still carrying out seditious

activities by making use of the errors of local party organizations and local governments in the implementation of the policies and in their routine work.

Eighth, the local party and government institutions did not correctly understand and effectively carry out the policies and principles laid down by the central authorities; some local leaders made mistakes in the course of carrying out the policies and produced negative effects among the masses.

It seemed that the discussion meeting came to recognize some problems in reality only in the last part of its agenda, but it still adopted some improper and extremely erroneous approaches, such as criticizing the "rightist deviation." The criticism of the "rightist deviation" just showed the leftist deviation of the meeting's participants. The conclusions of the meeting were, on the whole, the product of leftism, and were used as the "ideological grounds" for further suppressing the pro-democracy movement.

#### **CPC Reportedly 'Upset' by Prodemocracy Trend**

*HK0206133594 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 pp 6-8*

["Notes on a Northern Journey" by staff reporter Lo Ping (5012 0393): "CPC Discovers Prodemocracy Movement Undercurrent With Alarm"]

[Text] Five years have passed since the outbreak of the prodemocracy movement in 1989. Will another high tide appear after the ebb?

There are various signs that aftershocks have continued after the initial quake.

Certain shocks have come from the masses' demands for democracy, and some have come from the people's disenchantment with their current living conditions. Some shocks have come from the popular indignation aroused by the worsening corruption of officialdom. All this has represented a crisis, a serious crisis, for the Jiang-Li regime.

The crisis is similar to that of five years ago, and is more complicated and of greater shock potential. We may note the following facts:

- Waves of labor unrest have arisen one after another in all parts of the country and have swept across 19 cities. In Inner Mongolia, thousands of party and government cadres in the institutions of the autonomous region were also involved in a "disturbance."
- The authorities discovered "organized illegal hostile activities of underground sedition, collaboration, and subversion against the current social system and the People's Government" in 33 cities of 17 provinces.
- The CPC authorities intensified merciless crackdowns by arresting and jailing political prisoners and prisoners of conscience. At present, more than 1,700 "counterrevolutionaries" are in jail. This may be an incomplete figure.

All this shows that sparks of the prodemocracy movement are still spreading, and the CPC authorities are upset by the hidden dangers everywhere.

Recently, the CPC leaders openly called for employing the method used in handling the 4 June incident against the prodemocracy movement, and this more directly shows that the prodemocracy movement is threatening the Jiang-Li regime and that the CPC leaders are on tenterhooks.

On 10 May, Jiang Zemin spoke at an enlarged meeting of the CPC Central Political Bureau, and the speech laid bare both his fears and his merciless nature.

Jiang said: The resolute action taken by the central leadership against the political turmoil in spring and summer of 1989 was completely correct. If things had not been handled in that way, China would have been thrown into chaos, and external political forces would have taken advantage of the opportunity to make more extensive inroads into China to subvert the government. We would then have had to pay even greater costs. Comrade Xiaoping recently said that, if it had not been for Zhao Ziyang's double-dealing within the party, the incident would have been settled much sooner. In the future, if similar events of turmoil occur, we must take resolute and timely actions without any delay.

Jiang added: Facts over the past five years have educated and enlightened our people and cadres and have made them aware that a very small number of hostile elements at home are always trying to stir up trouble and overthrow the socialist system, that the hegemonists in the world are also always trying to interfere in China's internal affairs, and that the hostile political forces outside the mainland and in overseas areas are always trying to join hands with the domestic hostile elements in carrying out subversive activities. We have no other option but to adopt resolute measures against the undermining and subversive activities of the hostile forces.

Jiang Zemin did not express even a bit of repentance for the inhumane massacre of five years ago; instead, he even stressed the rationality and necessity of using tanks and troops to kill the innocent people who were peacefully demanding democracy. This utterly exposes the antipeople nature of the Jiang-Li regime and also reflects their fear when facing the prodemocracy undercurrent among the people.

An informed analyst has said: The CPC authorities long ago laid down the verdict on the 4 June incident, and Deng Xiaoping has long ordered other people not to mention the incident any longer so that it might be buried in history. However, the first topic discussed at the Political Bureau meeting on 10 May was the 4 June incident. Jiang Zemin brought up this matter from the past. This showed that Deng Xiaoping may not have been in good health recently, and some people within the CPC have tried to take this opportunity to reverse the verdict on the incident. Jiang's speech was aimed at warning them against reversing the verdict.

The analyst's conclusions are worth considering.

Many people pay close attention to the attitude expressed by the military in China. According to information from internal channels, Zhang Wannian, member of the CPC Central Military Commission and chief of the general staff of the Armed Forces, has been singing the same tune as Jiang Zemin. At a recent national meeting of the party committee leaders of the armed police forces, Zhang Wannian said that, under the current international and domestic circumstances, the People's Liberation Army should fulfill "four sacred duties." One of the "four sacred duties" is related to suppressing the prodemocracy movement.

"We should, according to the party's calls and orders, mercilessly crack down on and smash the organized and premeditated activities of the hostile forces against the party central leadership, the People's Government, the Constitution, and the current socialist system. We should crack down on and smash undermining and subversive activities and events of turmoil and rebellions created by the hostile elements attached to the external anti-China and anticommunist forces."

According to the CPC authorities' slanderous remarks against the prodemocracy movement in 1989, it was clear that the fourth task of "merciless crackdown and smashing" was aimed at the prodemocracy movement and the demonstrating masses who called for eliminating corruption and effecting democracy. In fact, the terms "turmoil" and "rebellion" have long been used by the CPC authorities to describe peaceful prodemocracy movements like that in Tiananmen Square in 1989. The "merciless crackdown and smashing" obviously referred to the use of force in suppressing such prodemocracy movements.

The remarks later uttered by Zhang Wannian explicitly expressed this idea. He said: China's development and the drastic changes in the former Soviet Union and Eastern Europe have shown that the actions and measures taken by the central authorities against the political turmoil in 1989 were completely correct and necessary, because the turmoil was supported by some foreign political forces and was aimed at overthrowing socialist China led by the Communist Party. The economic sanctions imposed by the hegemonists and their followers failed to daunt the CPC, the Chinese Government, and the Chinese people and failed to stop China's continuing development and growth; on the contrary, this practice only laid bare the fact that the hegemonists had not changed their basic strategy against China and that the hostile political forces had never stopped their sinister anti-China and anticommunist activities of subversion, infiltration, and sabotage. The hostile elements will never change their nature and will never stop their undermining and disruptive activities of creating turmoil and rebellions.

Such remarks uttered by Zhang Wannian explicitly indicated that the CPC authorities would continue to use the methods of the 4 June massacre to suppress prodemocracy movements.

At the national meeting of party committees in the armed police force, Tao Siju, first political commissar of the



armed police force, also spoke. He repeated the main points of Zhang Wannian's speech and made some additions. He said: Firm and timely crackdowns must be carried out on the organized and premeditated activities of the hostile forces aimed at subverting and overthrowing the leadership of the Communist Party and opposing the socialist system, and their plots and undermining activities must be smashed. The undermining activities of the hostile forces supported and abetted by the external anti-China and anticommunist political forces must be firmly and ruthlessly exposed, sternly counterattacked, and thoroughly smashed. This is a basic principle of the party and the state. The turmoil in the summer of 1989 was turned into a rebellion against the Communist Party, the socialist system, and the people's democratic dictatorship, and we took the necessary measures. Only thus could we achieve today's stable political situation. However, we must soberly note that the hostile forces at home and abroad, including a small handful of ultra-rightists in Hong Kong who have attached themselves to foreign powers and oppose everything China adopts, will never be willing to give in. They will inevitably use every opportunity to carry out activities of subversion, infiltration, and sabotage. We must resolutely crack down on their undermining activities against China, against the Communist Party, and against the socialist system without any lenience.

The party committees in the armed police force, the public security organs, and the judicial organs rapidly relayed the speeches by Zhang Wannian and Tao Siju and arranged study sessions. The armed police units and public security departments in all provinces, autonomous regions, and municipalities sent telegrams one after another to the State Council, the Ministry of Public Security, and the Headquarters of the Armed Police Force to express their firm support.

It seems that the CPC authorities will not hesitate to repeat the tragedy in order to maintain their one-party dictatorship. This does not show that they are strong; on the contrary, this only shows their weakness and demonstrates that the Jiang-Li regime is being upset by the incessant crises.

However, I was also told by other sources that some people among the CPC high-ranking officials are opposed to methods of suppression like those used in the 4 June massacre. They maintain that, if more student unrest like the 4 June incident occurs, and if the students only stage peaceful demonstrations, then peaceful political methods should be used to settle the trouble and violence must be prevented.

I asked: "Would this be the mainstream opinion within the party?"

"I hope so. However, it seems that Jiang, Li, and other diehards will insist on the option of relying on military force."

### Article Views Deng's Health, Political Situation

*HK0206123994 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 pp 15-16*

[Article by staff reporter Li Tzu-ching (7812 5261 0079): "Deng Xiaoping's Health Condition and the CPC's Political Situation"]

[Text] In early April, the CPC Central Committee Political Bureau adopted a decision on setting up a leading group under the CPC Central Committee to attend to Comrade Deng Xiaoping's health. This decision was classified as top secret. Deng Xiaoping himself prefers his health condition to be promptly announced, lest his death one day should turn out to be an event causing "turbulence" in the community.

### Never Have CHENG MING or TUNG HSIANG Filed Any Report Stating Deng Is Dead

Reports on Deng Xiaoping's death have been filed from time to time, but never have CHENG MING and TUNG HSIANG filed any report of this kind.

This year's March issue of TUNG HSIANG carried a report saying that Deng Xiaoping intended to change the past practice whereby information about central leaders' health and serious illness should be kept absolutely secret. During a meeting on 24 February, Wan Li told more than 80 veteran party, government, and Army leading cadres who had retired or retreated to the second line: The central authorities have accepted a suggestion made by Comrade Xiaoping, that is, information about Comrade Deng Xiaoping's health condition should be accurately and promptly passed on to leaders of the party Central Committee, the State Council, the National People's Congress [NPC], the Chinese People's Political Consultative Conference [CPPCC], the Army, and localities, and this information can also be faithfully passed on to friendly countries and friends who are concerned about his health. Once there is any change in Comrade Xiaoping's health condition, the central authorities and the department concerned will promptly inform the public of it.

But, when should information about CPC leaders' health be publicized?

### A Leading Group and Medical Care Group Attend To Deng Xiaoping's Health

In early April, during its seventh work meeting, the CPC Central Committee Political Bureau adopted a decision on setting up a "leading group under the CPC Central Committee to attend to Comrade Deng Xiaoping's health." The group comprises Jiang Zemin as its head, Qiao Shi and Liu Huaqing as deputy heads, Wan Li and Qin Jiwei as advisers, and others as members, including Ding Guangen, Wen Jiabao, Chi Haotian, Wang Ruilin, and Chen Minzhang. In addition, the CPC Central Committee Political Bureau also suggested that the central health care bureau be assigned to set up a group to attend to Deng Xiaoping's health care and medical service, comprising Ding Guangen as its head, Wang Ruilin and Chen Minzhang as deputy heads, and 24 medical personnel as group members who

are to work in four shifts. Of the 24 medical personnel, 12 are experts in surgery, urology, and anaesthesiology, all with the title of department head or professor. They are from seven famous hospitals in Beijing and Shanghai, namely Concord Hospital, No. 301 Hospital, and Beijing Hospital in Beijing; and Guangci Hospital, Ruijin Hospital, Huadong Hospital, and the Second Military Medical University Hospital in Shanghai.

Apparently the CPC does not want to make public the decision on setting up that leading group under the CPC Central Committee to attend to Comrade Deng Xiaoping's health. This decision was classified top secret, bearing the document number "Zheng 015." The document has been circulated only down to secretaries, deputy secretaries, and political commissars (for the military) of the party committees of all ministries, commissions, and offices; all provinces (autonomous regions) and municipalities directly under the central government; and all arms and services and all major military regions.

If the information about Deng Xiaoping's health is to be released promptly as he suggested, then should this practice be introduced as soon as the above-mentioned two groups are established? If the above decision is not to be announced, then will any developments and changes in Deng's health in the future be kept top secret and not made public?

#### **Jiang Zemin on Deng's Illness**

When attending a meeting of the Shanghai Municipal CPC Committee Standing Committee in early May, Jiang Zemin was asked by some standing committee members about Deng Xiaoping's health. Jiang Zemin said: Comrade Xiaoping's health condition is good. The doctor has advised him to undergo seasonal medical treatment with a view to regulating and promoting the metabolism, and not to move around too much. He is suffering from senile rheumatic arthritis of the arms and legs, and his blood pressure is a bit high sometimes. He needs to limit the time he spends on reading documents, newspapers, and watching television.

Deng Xiaoping's ailments as described by Jiang Zemin in early May are almost the same as those Wan Li spoke of on 24 February. Now that more than two months have passed, an informed source in Beijing doubts whether Deng's health condition could have remained unchanged throughout the period. If that were true, then why was it that a leading group and a medical service group were set up in early April to attend to Deng's health?

#### **Deng Xiaoping Fears Great Chaos Will Occur in the Wake of His Death**

The reason Deng Xiaoping wants his health condition to be promptly made known to the public, of course, is that he fears his death will throw China into "chaos." He knows some people in the outside world predict this. He wants to prevent his death from being a sudden event by enhancing the transparency of his own health condition so as not to cause social "chaos."

The news of Zhou Enlai's death was published suddenly. His death caused the 5 April turbulence of 1976. The news of Hu Yaobang's death was also published suddenly. It caused "turbulence" in the late spring and early summer of 1989. But the reason the deaths of these two leaders caused social "turbulence" was not that the news came so suddenly, but because of the great explosion of crises among the masses. On the former occasion, people took advantage of the activities mourning Zhou Enlai to vent their enmity and opposition to the "gang of five." Similarly, through activities mourning Hu Yaobang, people vented their dissatisfaction and anger at the conservative forces that had controlled Hu Yaobang and had ousted him from power.

#### **A Power Struggle in the Imperial Court**

The deaths of dictators in totalitarian countries will surely lead to "imperial court coups" in struggles for power. Now Stalin had a stroke and fell from his bed, and his maid-servant called Politburo members in, at which time Beria gave a curse, turned around, left him, and planned the next step of his plot. This plot was found in Khrushchev's memoirs and in Stalin's daughter's memoirs. Similarly, following Mao Zedong's death, the power struggle between Hua Guofeng, the legitimate successor, and the "gang of four," which had been left over from the "gang of five," also tended to be white-hot. If not, Hua Guofeng would not have agreed to dispose of the "gang of four!" At that time, Deng Xiaoping, who had then been removed from power, was also busy. He wrote two letters to Hua Guofeng, which was also what preceded the usurpation of power!

It is Deng Xiaoping's turn now. Obviously, the "Jiang-Li structure," which he has chosen and arranged, is the result of balancing the struggle among factions. Jiang Zemin is a character of the "middle elements." After Deng's death, he will be a partner in the "Jiang-Li structure" and Li's rival. Moreover, in addition to the "Jiang-Li structure," other contestants for supreme power are Deng Liqun of the conservative forces, Chen Yuan of the elders' children, Hua Guofeng, who stepped down, and Zhao Ziyang of the reform faction. Will they be able to cope with them?

#### **Jiang Zemin Is Concerned About Danger From Outside**

Regarding China's post-Deng political situation, Jiang Zemin is now too much concerned about foreign influence.

On 4 May, Jiang Zemin called a meeting of the secretaries, governors, and people's congress chairmen of five provinces (Jiangsu, Zhejiang, Anhui, Jiangxi, and Fujian) and one municipality (Shanghai) in the auditorium of the Shanghai Municipal CPC Committee. At the meeting, Jiang Zemin said:

Hegemonism, overseas anti-Chinese and anticommunist political parties and political forces, and Taiwan's Li Teng-hui and the forces advocating Taiwan's independence all hope that turbulence and civil war will break out in China after Deng's death so that they can achieve their strategic goals. This is a dream of hegemonist and hostile

forces. They lack a basic understanding of China's national conditions and political situation.

Jiang Zemin maintains that the danger in post-Deng China will mainly come from abroad. His mistake is very grave.

He grew up under a communist culture and should know that it is not mainly external factors that contribute to something changing, but internal factors. He has the world in view, but does not see things around him. It was not imperialism or hegemonism that ousted Malenkov and Hua Guofeng from power. It will not be long before Deng Xiaoping falls critically ill and suddenly dies. The chain effect of this sudden incident will be a power struggle within the imperial court. This is almost inevitable and the destiny of communist countries.

#### **Tian Jiyun: The Central Authorities Do Not Agree That Deng Should Make Another Tour of Southern China**

When speaking on Deng Xiaoping's health not long ago, Tian Jiyun said: Comrade Xiaoping appeared to be tired when he sent greetings to the people in Shanghai during the Spring Festival. There were many reasons. Prior to that, he had vacationed in Jiangsu. He caught a cold in Shanghai after standing on a bridge for nearly 20 minutes in a cold wind. Moreover, he is an old man about to turn 90. Comrade Xiaoping himself also said after reading foreign reports: "When a man is 70 years old, he gets weaker and weaker each year. This is a natural law. However, the foreign reports are exaggerated."

Tian Jiyun said: Comrade Xiaoping had planned to visit Guangdong and Hainan after this last Spring Festival. For health reasons, the Political Bureau of the CPC Central Committee persuaded him not to do that. Moreover, his doctors do not agree that he should make a long trip. The general secretary, Comrade Wan Li, General Liu Huaqing, and Comrade Bo Yibo also joined in the persuasion. The elder Peng [Peng Zhen] also telephoned Comrade Xiaoping, asking him to take care of himself.

Tian Jiyun also said: Comrade Xiaoping has rested in other provinces recently. He has another plan for a trip to southern China. But the central authorities hope Comrade Xiaoping will listen to the doctors' advice. I think Comrade Xiaoping will listen.

#### **'Church Activists' Detained; CNN Banned Until 6 Jun**

*HK0306051194 Hong Kong SOUTH CHINA MORNING POST in English 3 Jun 94 pp 1, 9*

[By Willy Wo-Lap Lam]

[Text] Chinese police have detained six underground church activists in the run-up to tomorrow's fifth anniversary of the June 4 crackdown. They have also ordered hotels in Beijing to turn off the international television network CNN at least until next Monday.

Sources in the dissident community said yesterday that while they did not anticipate large-scale actions, protests by individual dissidents and workers could erupt this week.

Beijing resident Hua Huiqi said yesterday he and five other Christians had been taken into custody while they were worshipping together. Mr Hua said he was held from Monday to Wednesday. He said police returned to his flat yesterday to detain him again, but he was not home.

"This is a problem of belief, we haven't broken the law," he said in a telephone interview.

Mr Hua said Wang Huamin, Gao Feng, Wu Rengang, Xu Honghai and Gou Qinghui were detained last weekend. All but Gao, thought to be a 26-year-old car worker, are known to have been released, he said.

Mrs Gou is the wife of Xiao Biguang, a former Beijing University teacher and active Christian who was taken into custody on April 12. Mrs Gou was detained last Friday and interrogated for eight hours before being released after she started suffering heart problems, Mr Hua said.

Mr Xiao, 32, is a friend of Yuan Hongbing, a Beijing University law professor who was arrested in March. Yuan was a founder of the outlawed Federation for the Protection of Workers' Rights.

Police are believed to be hunting other affiliates of the federation, which organised a petition to the legislature calling for the freedom to form independent unions.

Sources in the dissident community said the authorities were concerned about the "political activism" of one branch of the underground church, which they suspected of having links with the nascent labour union movement.

It is understood that another group of Beijing-based church activists tried to start a demonstration earlier this year.

"The rally was aimed at demanding not only religious freedom but general political and civil rights," a source said. "It was stopped by police in time, and the organisers have been put under surveillance since then."

The dissident sources said that while police had banished Wang Dan and other big-name dissidents from the capital, individuals, including disgruntled workers, could stage protests in Beijing and other cities in the run-up to the anniversary. Security sources said that today and tomorrow parts of Tiananmen Square would be cordoned off from the public.

They said police were on guard against individuals or small groups staging protest actions, such as distributing pro-democracy leaflets and other literature calling for a reversal of the official verdict on the 1989 student movement.

Meanwhile hoteliers said major hotels in Beijing yesterday received a fax from the local Public Security Bureau asking them to switch off CNN, which is received by satellite.

"We were told by relevant authorities the cut-off is due to repairs to a hitch in the signal—the service will be interrupted for up to a week," one hotel technician said.



CNN's suspension took effect just before the U.S.-based network aired a report on the growing potential for labour unrest in China.

Analysts said the ban on CNN was probably to keep fire shots of the 1989 crackdown from being beamed into China during the anniversary period.

#### **Numbers of Political Prisoners Reportedly Revealed**

HK0206142394 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 p 13

[Article by Chuan Hsun-che (0278 6061 5074): "Numbers of Political Prisoners Cited in a Document"]

[Text] How many "political prisoners" are still in jail in mainland China? This is always an enigma. International human rights organizations and Amnesty International have made painstaking efforts to discover the facts. The CPC authorities have never made public the relevant figures.

Between 7 and 9 April, at the national work conference attended by heads of the public security organs, the state security organs, the armed police units, and the judicial organs, the CPC authorities for the first time revealed the numbers of people charged with the counterrevolutionary crimes of subversion, sedition, and sabotage, or who were serving prison terms after being found guilty of such crimes, or who had been arrested and detained on suspicion of such crimes. According to the reports submitted by the local public security and judicial departments and the statistical materials (up to the end of March 1994), 1,730 people were serving prison terms after being found guilty of counterrevolutionary crimes.

At that time, 87 people had been arrested and were awaiting trial on charges of counterrevolutionary crimes.

More than 160 people were being detained for investigations.

Prisoners of this type released on bail or receiving medical treatment outside prison but still deprived of political rights numbered 135.

The following are the numbers of prisoners jailed in some localities:

Qinghai, more than 380.

Sichuan, 257.

Anhui, 82.

Guizhou, more than 100.

Liaoning, 66.

Xinjiang, 220.

Yunnan, more than 60.

Ningxia, 83.

Hunan, 37.

Hebei, 41.

Shaanxi, more than 60.

Beijing, 28.

Jiangxi, 46.

Tibet, more than 80.

The above figures are cited from the document (file number 940028) issued by the Ministry of Justice on 6 April.

#### **Spokesman Denies Halt on Individual Tourist Visas**

HK0306100294 Hong Kong WEN WEI PO in Chinese 3 Jun 94 p A2

[By WEN WEI PO trainee reporter Fang Hsiao-i (2075 2556 1837): "A Chinese Foreign Ministry Spokesman Denies Suspending the Issuance of Tourist Visas to Individual Applicants"]

[Text] Beijing, 2 Jun (WEN WEI PO)—Foreign Ministry spokesman Shen Guofang today refuted the rumor that Chinese embassies in foreign countries had stopped issuing visas to individual tourists. He pointed out: China is now further deepening reform and opening up wider. Under such circumstances, it is impossible to stop issuing visas to individual tourists. It is a common occurrence that because of the host organizations on the Chinese side or for other reasons, visas may not be issued to tourists on time. Shen Guofang also said: Touring groups and individual tourists are very welcome to visit China.

#### **Top Guangdong Officials Attend Deng Photo Exhibit**

HK0206144394 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 28 May 94

[Text] An opening ceremony for the large-scale Deng Xiaoping photo exhibition was solemnly held in Guangzhou this morning. Multi-color banners were fluttering over Nanmen Square at the provincial Wenming Road Museum this morning. The provincial armed police corps military band was playing, and thousands of people were waiting for the opening of the exhibition.

At 0900 the flag-raising ceremony formally began. Xie Fei, member of the Political Bureau of the CPC Central Committee and secretary of the Guangdong Provincial CPC Committee; Li Xilin, commander of the Guangzhou Military Region; Guangdong Governor Zhu Senlin; comrades in charge of the provincial party committee, the provincial people's congress, the provincial government, the provincial committee of the Chinese People's Political Consultative Conference, and the provincial discipline inspection commission including Lin Ruo, Huang Huahua, Gao Siren, Chen Zhaoji, Zhang Hanqing, and Huang Hao, Guangzhou City leaders Huang Weining, Wu Mengzhao, and Zeng Qingsheng, veteran comrades Ren Zhongyi, Liang Lingguang, Luo Tian, Qiao Linyi, Wang Quanguo, Yang Yingbin, Du Ruizhi, Zhang Juhui, Zeng Dingshi, Yang Li, and Chen Li attended the opening ceremony, which was presided over by Yu Youjun, director of the provincial party committee's propaganda department.

Comrade Huang Huahua, deputy secretary of the provincial party committee, spoke at the ceremony. He said: The large-scale Deng Xiaoping Photo Exhibition was solemnly opened today, an event which expresses the sincere love

and esteem as well as the sincere feelings of the 60 million people of southern Guangdong for Comrade Deng Xiaoping and the lofty sentiments and aspirations of the people across the province to determinedly strive to achieve modernization in Guangdong within 20 years under the guidance of Deng Xiaoping's theory of building socialism with Chinese characteristics.

After Comrade Huang Huahua spoke, Xie Fei, Li Xilin, and Zhu Senlin cut the ribbon at the opening ceremony.

### **Public Security To Strengthen Control of Migrants**

*HK0206134094 Beijing ZHONGGUO XINWEN SHE in English 1209 GMT 2 Jun 94*

[Text] Beijing, June 2 (CNS)—Public security departments in China plan to strengthen administration over migrant people in cities through improvement of administration over urban residence registration and enactment of administrative methods on migrant labourers.

According to statistics, there are 80 million migrant population in the Mainland at present. As a result, numbers of various kinds of criminal cases are increasing at a rate of 6 percent growth every year and big case numbers increasing at 18 percent growth. Crimes committed by migrant people have taken a rather great ratio of the total criminal cases in number. Criminal cases committed by migrant people in Guangzhou and Shenzhen make up 80 percent of the total cases of the two cities in number, and in Shanghai, Beijing and Tianjin, such cases making up 50 percent of the total in number. Part of migrant people even engage in drug trafficking, drug taking, gambling and pornographic business, which have seriously harmed public security.

### **Article on Recent Increase in Kidnapping Cases**

*HK0206142194 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1030 GMT 23 May 94*

[By reporter Si Liang (1835 5328): "The Mainland Steps Up the Crackdown on Kidnapping Gangs"]

[Text] Hong Kong, 23 May (ZHONGGUO TONGXUN SHE)—Since the beginning of this year, the number of kidnapping cases of various types has increased substantially, and the law and order situation has become rather serious. The public security organs are analyzing deeply the causes and backgrounds of the crimes, intensifying their investigations to crack the cases, and striving to check the increase in kidnapping activities in order to guarantee social stability and to ensure the smooth development of reform and opening up.

According to materials provided by the police, in the last few years, kidnapping cases have increased substantially. In particular, such cases have doubled and redoubled in the coastal areas and in Guangdong's Zhujiang Delta. For example, in the first quarter of last year, the kidnapping cases handled by the procuratorial organs in Shanghai alone increased by 50 percent over the previous year; and in the first half of last year, more than 200 kidnapping cases occurred in Guangdong, including 54 cases in

Guangzhou, or 125 percent of the figure in the previous year, and 52 cases in Foshan, or 550 percent of the figure in the previous year. According to the mainland police, in the first four months of this year, at least two major kidnapping cases occurred every month, and most of such cases occurred in Guangdong.

Gangsters in the mainland mainly kidnap individual business proprietors, private entrepreneurs, and businessmen from Hong Kong, Macao, and Taiwan. They demand from several tens of thousands of yuan to several hundred thousand yuan ransom. In some cases, the kidnappers even demand several million or over 10 million yuan. For example, the most serious kidnapping case over the past more than 40 years occurred in Guangdong in April 1993. Six kidnappers kidnapped the director of an aluminum product factory and his wife in Nanhai City, Guangdong, and demanded ransom of 10 million yuan. The victims were robbed of their Lexus car, Rolex wristwatch, gold jewelry, cellular phone, and other belongings with a total worth of more than 1 million yuan when being kidnapped. As another example, the police in Fuzhou City cracked a kidnapping case in April this year in which the boss of a karaoke lounge was kidnapped and the kidnappers demanded \$400,000 in ransom. In another case, a Hong Kong businessman, who invested in a number of projects in the mainland, was kidnapped by four armed gangsters last January in Shenzhen, and 800,000 yuan ransom was demanded. Then, in April this year, the Hong Kong boss of a metal plant in Shenzhen's Nanshan was kidnapped by four gangsters, who demanded 200,000 yuan ransom.

According to information from the cracked cases, many kidnappers acted in an organized way, and the crime syndicates bore the character of secret societies. They collaborated closely through division of work; acted co-reptitiously; and in some cases even possessed firearms. They also used cellular phones, pagers, cars, and other modern means of communication and transportation in the act. The kidnappers were cruel and merciless in their treatment of their victims, and often recklessly killed them. For example, the police cracked a case late last year in which the son of a criminal police team leader in Liaoyuan City was kidnapped and killed; the Daya Bay Public Security Bureau cracked a case in March this year in which an individual business proprietor was kidnapped for 3.6 million yuan ransom and was later killed; and the police in Zhuhai City recently cracked a case in which a Macao businessman was kidnapped in Gongbei for 360,000 Hong Kong dollars ransom and was later killed.

A more shocking fact was that cases of youngsters being kidnapped by youngsters occurred from time to time. In late 1993, in the suburbs of Yancheng, Jiangsu, in order to extort 50,000 yuan from a rich family, three young people from 14 to 16 years of age kidnapped a nine-year-old boy by imitating the plot of a videotape. In March this year, an 18-year-old secondary school student in Xixia County, Henan, even kidnapped a 12-year-old boy for 60,000 yuan ransom, and the victim, who was the son of a police officer of the county's public security bureau, was later killed by the kidnapper.



However, "the net of Heaven has a large mesh, but it lets off nothing evil—justice has a long arm." Most kidnapping cases were cracked by the public security personnel, and most kidnappers were brought to justice. In the first eight months of last year, more than 30 kidnappers were arrested, tried, and sentenced in Guangdong. Five of them were sentenced to death; two were sentenced to death with suspension; two were sentenced to life imprisonment; and seven were sentenced to imprisonment of various terms. Capital punishment was inflicted on all four kidnappers in the most serious kidnapping case involving 10 million yuan ransom in Guangdong.

#### **Personnel Changes Reportedly Made in Provincial Press**

HK0306065594 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 p 19

["Reference News" by Ching Ming (6975 2494): "Big Media Reshuffles in 10 Provinces or So"]

[Text] According to information from the Central Propaganda Department, since early April this year, personnel changes have been made in party committee leading bodies in the party newspapers of 17 provinces and autonomous regions. ANHUI RIBAO, HEILONGJIANG RIBAO, SHAANXI RIBAO, GUANGXI RIBAO, and other provincial official newspapers in eight provinces (autonomous regions) were reorganized. The principal leaders were all concurrently members of the provincial party standing committees or directors of the provincial propaganda departments. The major personnel reshuffle was carried out according to the instructions of the CPC Central Secretariat on 23 March. The instructions required local party committees to attach importance to running local official newspapers and to ensuring that newspapers would give appropriate publicity to the basic guidelines and various measures laid down by the central leadership.

#### **China To Survey Population on Wide Range of Issues**

OW0206162594 Beijing XINHUA in English 1508 GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—China is to survey one percent of its total population to collect information on population quantity and distribution, housing, education, marriage, migration and composition.

Speaking at the first meeting of the population sample survey joint conference held here today, Chinese State Councillor Peng Peiyun said that the survey would provide a basis for forming long-term family-planning programs and information for the developing market economy.

The on-the-site survey will be carried out in October 1995, and the results are expected to be published in January 1996.

So far, China has conducted four national censuses and it took its fourth national census in 1990.

#### **Commentator Article on Family Planning Work**

OW0206211194 Beijing XINHUA Domestic Service in Chinese 0245 GMT 1 Jun 94

[XINHUA commentator's article: "It Is Necessary To Continuously Attach Importance to Family Planning Work"]

[Text] Beijing, 1 Jun (XINHUA)—In recent years, China's birth rate has been steadily decreasing. Even in years when women of child-bearing age account for a high proportion of the total population, our country has held back the trend of a rapid increase in population. China has been recognized by the international community as one of the best countries in restraining the rapid growth of population.

However, we must soberly understand that we must not be too optimistic about the population situation in our country. First, the absolute growth of population in our country is still very high. The number of newborn babies each year is equivalent to the combined total of the population of Australia and New Zealand. Second, at present we are primarily relying on forceful administrative means to promote family planning work. The birth rate will rise again if we slacken our efforts slightly. Third, the situation of imbalance in family planning is still quite serious in various locales. In the next few years, China will continue to have some provinces and autonomous regions with women in their peak child-bearing years accounting for a large proportion of the total population. Owing to the fact that those provinces and autonomous regions are all located in northwest and southwest regions, the tasks of population control are ever more difficult.

Family planning concerns the vital interests of hundreds of millions of people, and so we must actively, prudently, and steadily grasp the work. While accelerating economic development, we must keep the population growth rate at a relatively low level.

Leading cadres at various levels must further heighten their understanding of the important, arduous, and prolonged nature of family planning work. The top leaders of party and government organizations at various levels must act according to the requirements set by the party central committee and the State Council, personally take charge of the work, and have all leading bodies understand the importance of the task and work with concerted efforts. We should further improve the responsibility system with merits linked to the goals of population control and family planning. We should pay attention to and strengthen the training of cadres for family planning work. We should organize various concerned departments to improve family planning work, and create a favorable social environment to promote late marriages and later childbirths, to advocate fewer childbirths and sound practice in bringing up children, and to treat boys and girls in the same way.

In implementing the policy of family planning in a constant manner, we must effectively strengthen family planning work at the grass-roots level. The rural areas are the main and difficult places in promoting family planning work. We must strengthen family planning work at the

village level, mobilize the cadres of village party branches and villagers' committees, and truly implement family planning work down to all households and people. The cadres at the grass-roots level should learn from the family planning work in Shanxi's Wenshui County and the working spirit of Zhou Lanu. We should effectively grasp family planning work in all villages, towns, and households. Various locales should adopt different methods according to local conditions, and closely integrate the work of family planning with the work of developing the rural economy, of helping peasants get rich and become well-to-do, and of building civilized and happy families.

In implementing the policy of family planning in a constant manner, we must actively explore and establish a system which can suit the need of a socialist market economy and constantly solve new problems in the new situation of family planning work. In addition, we should strengthen the administration of family planning work for the migrating population. We should integrate the work of patient education and propaganda on family planning with enthusiastic and fine services, and integrate the work of family planning with the work of developing a socialist market economy and of building socialist spiritual civilization. We should strive to raise the quality of the population, improve the population structure, and promote a coordinated development of population, the economy, and society.

#### **Commentator Views Expectations of Children, Youth**

HK0306064094 Beijing RENMIN RIBAO in Chinese 1 Jun 94 p 1

[Commentator's article: "Teach Eaglets To Fly"]

[Text] Today is "1 June" International Children's Day, and to our young friends in the country we send our warm congratulations! We pay the highest tribute to the teachers, parents, and persons in various circles in society who have worked hard for the healthy growth of children!

In this joyful time as we celebrate "1 June" International Children's Day, General Secretary Jiang Zemin has written an inscription for the Young Pioneers of our country: "Learn knowledge yourself, manage yourself, protect yourself, strengthen yourself, discipline yourself, and be a qualified builder of the socialist undertaking, as well as a successor to it." This fully indicates the ardent expectations the CPC Central Committee and the old revolutionaries have regarding the next generation, and enables Young Pioneer workers in the whole country to further pinpoint the duty and orientation of education.

If China is to gain an edge in the trans-century competition, if the Chinese nation is to rise, and if millions of people are to realize the great aspiration of building a strong and modernized socialist country, the ultimate factor is the emergence of millions of various kinds of professionals who have integrity, knowledge, and good physique. In a modern society where science and technology develop rapidly and competition of various kinds is intensifying, people have a new understanding of a capable

person. A capable person's integrity includes not only political awareness, of which the basic requirement is to uphold the party's basic line of "one center, two basic points," healthy thinking and sense, and good morals and integrity, but also a strong will, positive and rich sentiment, and voluntary behavior conforming to legal and social norms. By knowledge we mean that this can no longer be purely measured by the degree of knowledge we possess; that is to say, one must not only have extensive knowledge, but must also have the ability to acquire knowledge and to transform knowledge into real productive forces. By physique we do not merely mean the concept of a kind of physical strength, but also include the strength to struggle courageously, as well as a tenacious ability to endure.

However, real life is obviously different from people's wishes and demands. Among some young students, there are still certain acute problems and weaknesses, which cause concern throughout society. Therefore, the topic of how we can follow Comrade Deng Xiaoping's demand that "education must face modernization, the world, and the future," to cultivate students' all-round quality and enable them to shoulder the important trans-century duty, is a strategic topic which badly needs attention.

Precisely based on this kind of understanding, the All-China Children and Juvenile Work Committee has launched a "Five Self's" campaign among Young Pioneer organizations. "Five Self's" means: Learn knowledge yourself—the cultivation of an ability to voluntarily study and to acquire knowledge to become a master of knowledge; manage yourself—learn how to independently solve problems and difficulties in daily life and to possess the basic ability to make a living and work; protect yourself—understand the law, social norms, and common knowledge of life so as to be able to protect one's legitimate rights and intelligently and bravely handle difficulties and even dangers one might run into; strengthen yourself—be adventurous and confident, have a strong and persistent will, and have the courage and ability to overcome difficulties; and discipline yourself—voluntarily observe the standards of behavior of primary and secondary school students and possess the ability to restrain, regulate, and control one's own behavior.

Launching the "Five Self's" campaign is a basic project for training of capable persons. It meets the characteristics and needs of youngsters, and is needed for their healthy growth in the future. Its direct purpose is to help children and youngsters to learn how to become young masters of daily life and to upgrade their sense and ability of living, learning, working, and creating. "Five Self's" activities are activities belonging to the children and youngsters themselves and is a kind of training and learning, and its main principle is practice, through which improvement is sought. Children and youngsters are the main body and master of activities, and what schools, teachers, and Young Pioneer workers have to do more of is guidance work and work to pave the road and build bridges.

We believe that the inscription written by General Secretary Jiang Zemin will certainly further arouse enthusiasm

among children and youngsters for participation and will enhance their rich imaginations, positive enterprising spirit, and potential for learning and creation; it will certainly enable the "Five Self's" activities to become rich and colorful and score numerous great results. We sincerely wish the broad masses of children and youngsters who start from here drill to harden their wings and soar to great heights.

#### **Environmental Problems 'Coming Under Control'**

OW0306065194 Beijing XINHUA in English 0615  
GMT 3 Jun 94

[Text] Beijing, June 3 (XINHUA)—Despite China's rapid economic development, the country's environmental problems are coming under control, with only a few regions facing serious environmental pollution, the State Bureau of Environmental Protection said here today.

"Although China is facing increasing pressures from environmental problems as the country has taken energy, raw materials and other basic industries as the top priorities for development, the country has still achieved progress in the control of industrial pollution," the bureau said in its annual report on the country's environmental and ecological situation.

According to the report, in 1993 the amount of smoke and dust released into the air in urban areas remained the same as in 1992.

"The water quality in rivers, reservoirs, underground and offshore remains fine," the report says.

"The country's forests are expanding, and the areas of nature reserves now account for 6.8 percent of the country's total territory," the report says.

"But the volume of mature forest trees which can be logged is shrinking," it notes.

"The degradation, desertification and saltification of grassland are continuing, while the loss of water and soil remains serious," the report adds.

"Over-exploitation of underground water in urban areas is rampant and the deterioration of the eco-environment of the country's fishing industry is yet to be controlled," it warns.

The report blamed coal burning for the air pollution in many of China's cities. "Such air pollution is more serious in winter and in big cities than in summer and small towns.

"In 1993, more Chinese cities suffered from acid rain than in the previous year," according to the report.

Meanwhile, Xie Zhenhua, director of the State Bureau of Environmental Protection, promised, "China will devote more efforts to environmental protection while speeding up economic development."

## **Science & Technology**

### **Telecommunications To Receive \$6 Billion of Investment**

HK0306090594 Beijing CHINA DAILY (SCIENCE & TECHNOLOGY SUPPLEMENT) in English 3 Jun 94  
p 1

[By Tao Tao: "\$6b Investment for Post, Telecom"]

[Text] China will invest a record of 53.6 billion yuan (\$6.2 billion) into the post and telecommunications sector this year to expand and modernize the country's communications network.

Part of the investment will be used to transform microwave lines from analog to digital ones, said the Ministry of Posts and Telecommunications.

Of the more than 55,000 kilometres of microwave links, nearly 30,000 kilometres of analog microwave lines need to be digitalized to increase their transmission capacity.

Although China can manufacture digital microwave equipment, foreign products are more competitive with sound technology, reliability and stability.

The ministry is also speeding up the construction of high-capacity fibre-optic cables and a nationwide optical cable network will be completed by the end of the century.

Fibre-optic cables will be the main lines of transmission in the country with a planned eight north-south and eight east-west lines to be completed in the next six years. By then, more than 300 cities above prefecture level will be linked up with the network.

After the committee on the control of exports to communist countries was abolished last year, the ban on the export of high-capacity optical cables was also lifted by Western countries.

The ministry is planning to import optical cables, and more than 10 foreign companies are competing to sell their products. More than 30,000 calls can be made simultaneously on a pair of fibre-optics.

At present, China can manufacture less powerful fibre optical cables.

And the construction of satellite earth stations are also planned by the ministry. It is hoped that each provincial capital city will have a satellite earth station by the end of the century.

The bigger the level of investment and the greater the expansion of the nationwide telecommunication network, the more opportunities will be available for foreign countries and companies to supply their products to China.

According to the ministry's plan for this year, another 12 million telephone lines will be added to the exchange capacity, bringing the total switch capacity in the country to 52 million lines by the end of this year.



There are also plans to install 9 million new telephones, compared with 5.9 million new ones added last year.

And the ministry aims to push the telephone switch capacity to more than 110 million by the end of the century. By then, China will have one of the world's largest telephone systems.

The rapid expansion of China's telecommunications network is expected to continue to benefit overseas partners because a large percentage of equipment is imported.

To meet the huge domestic demand, a number of joint ventures with foreign telecom giants, such as NEC, Siemens and Motorola, have been established to manufacture the urgently-needed equipment. But further imports of equipment are still needed for the domestic market.

Although the expansion of the telephone network requires a lot of equipment, the ministry will not approve the sale of switch equipment to China by new foreign telecom manufacturers. At present, the main foreign suppliers of telephone switches and joint ventures are Fujitsu (F-150), NEC (NEAX-61), Siemens (EWSD), Alcatel (E-IOB), Ericsson (AXE 10), Northern Telecom (DMS 100), AT&T (5 ESS) and Shanghai Bell (S-1240).

The more competition among the foreign manufacturers, the more opportunities and benefits for China, analysts said.

Ministry officials said that only digital or stored programme controlled telephone switches will be imported in the future.

On the other hand, the ministry is keen to attract foreign loans to assist the development of the sector.

A total of \$5.1 billion in foreign loans have been used in the past decade. And it is expected that more and more foreign loans will be used in the future.

### **Telecommunications Industry Develops Information Network**

*HK0306090394 Beijing CHINA DAILY (SCIENCE & TECHNOLOGY SUPPLEMENT) in English 3 Jun 94 p 1*

[By Gao Tao: "Information Sector Thrives"]

[Text] China's booming telecommunications industry, is rapidly developing a modern nationwide information network.

The immediate task is focussing on expanding and upgrading the public switched packet data network to meet the growing demands for non-voice telecommunications across the country and with the world, said an official from the Ministry of Posts and Telecommunications.

The network includes two levels—the backbone network (primary switching centres) and regional networks in each province, autonomous region and municipality (secondary switching centres).

The trunk network, containing 5,500 ports, has been finished and put into operation.

The network includes 696 trunk ports, two international gateway ports and one gateway port for Hong Kong and Macao.

Data transmission is realized through the public telecommunications system, including fibre-optical cables, microwave and satellite communications.

Through the network, computer owners across the country, who join Chinapac [expansion unknown], can exchange information and contact with other computer users at home and abroad.

By the end of this year, the network will cover 500 Chinese cities as local telecommunications administrations are building 14 provincial networks. Another 15 provincial networks have already been established.

It is expected that the network will cover all counties in East, South and Central China and some counties in West China by 1995.

The Ministry of Posts and Telecommunications expects that the number of users of the network will reach 8,000 this year and grow to 20,000 by 1995. At present, most of the users are financial organizations, banks, stock exchanges, large enterprises and government departments.

The official stressed that it is important to constantly upgrade the network's technology and facilities to meet the growing demands of the customers.

It is the trend and the plan of the ministry to link up all databases in the country through the network, making it possible for all to share the information. Methods of dividing the profits between databases and telecommunications departments will be worked out.

The non-voice telecommunications service sector, otherwise called value-added service communications, is expected to grow by 50 per cent this year and the next. Beyond the next couple of years. Services are charted to grow at an annual rate of 30 per cent between 1996 to 2000.

With the further upgrading and expansion of China's public telecommunications network, more and more data communications will be come possible, such as videotex, e-mail, EDI [Electronic Data Interchange] and other services.

Videotex integrates data transmission and data processing and displays the information or image on a computer terminal.

The service is now available in Shanghai and will be expanded to Shenzhen, Guangzhou, Beijing and other big cities. Most equipment for the service is imported from France and Germany while the rest is domestically made.

It is expected that the number of videotex users will grow to 5,000 by the end of next year and to 30,000 by 2000.

The e-mail service provides computer networking that facilitates the transfer of text, messages, and other information among the subscribers. Six such systems have been installed in Beijing, Shanghai, Guangzhou, Jiangmen, Shenzhen and Qingdao, and each allows 3,000 mailboxes. The average capacity of each mailbox is 100,000 bytes.

In order to promote wide application of the system, research institutes in China have developed technical specifications and requirements for E-mail service. The wide application of E-mail will greatly increase the demand for the public switched packet data network in China.

Electronic data interchange (EDI) is a system allowing traders to do business using electronic telecommunications rather than papers. It ensures rapid transactions and reduces human error.

Several Chinese departments and ministries, such as telecommunications departments, the electronics industry, banks, foreign trade and customs, are jointly working to establish a national EDI system.

It is planned that a nationwide EDI system will be formed by 2000 and connected with the international network. It is also believed that China will lose a competitive edge in foreign trade if the development of the EDI system is delayed.

EDI systems have been adopted by many countries. Customs clearance among most European countries and the United States are done by using EDI. It was reported that 95 per cent of foreign trade in Singapore is conducted through EDI.

The ministry plans to expand and link up all public telephone directory inquiry systems and information services databases across the country operated by themselves.

The information service databases, the 168 access code on the public phone network, will be one of the main targets for development in the future. Whenever the customer needs information, if they just dial 168 they will get all they need.

### Military

**Zhang Zhen Emphasizes Training, Cadre Quality**  
*HK0306070294 Beijing JIEFANGJUN BAO in Chinese*  
22 May 94 p 1

[By Sun Yanzhao (1327 1693 2507) and reporter Yan Jinjiu (7051 6855 0036): "Central Military Commission Vice Chairman Zhang Zhen Stresses Key to Training Reform Lies in Improvement of Cadre Quality"]

[Text] Zhengzhou, 21 May (JIEFANGJUN BAO)—Use as guidance Mao Zedong's military thinking and Deng Xiaoping's ideas on army building in the new period, firmly grasp the key of improving the quality of the contingent of cadres, deepen reform of military training, comprehensively satisfy the general demands put forward

in the "five points" by Chairman Jiang of the Military Commission, and better perform the fundamental duties of the armed forces. This is what General Zhang Zhen, vice chairman of the Central Military Commission, stressed while conducting investigations and studies of units and academies of the armed forces garrisoned in Henan.

From 2 to 21 May, Vice Chairman Zhang Zhen, making light of hardships, went deep into the leading organs, academies, and training grounds of companies of the armed forces garrisoned in Henan and carried out extensive investigations and studies on questions centering on how to improve the quality of the contingent of cadres and how to deepen reform of military training. After fully affirming the achievements in training reform made by the units he visited, he pointed out: To do a good job in training reform, we must use as guidance Mao Zedong's military thinking and Deng Xiaoping's ideas on army building during the new period. Mao Zedong's military thinking has summed up the experience of how our poorly equipped armed forces defeated their much better equipped enemy over several decades and has crystalized the collective wisdom of the older generation of proletarian revolutionaries. Deng Xiaoping's ideas on army building in the new period have inherited and developed Mao Zedong's military thinking and are the theoretical basis for guiding the building and reform of the armed forces. So long as we seriously study them and arm our brains with them, we will be able to make new breakthroughs in training reform.

In the course of conducting investigations and studies, Vice Chairman Zhang Zhen stressed from a strategic plane the extreme importance of having our eyes on the future, giving special attention to properly grasping the training of cadres, and training comprehensively qualified personnel in deepening training reform, and increasing the combat power of the armed forces. He said: In training cadres, we should focus on improving quality in four aspects. The first is to improve political quality. Study of the theory of building socialism with Chinese characteristics and education on world outlook should be regarded as basic lessons so that our cadres will really heed what the party says and will have lofty communist ideals. The second is to improve the military quality. They should be proficient in tactics and strategies and should master the skills of training the armed forces in times of peace and the skills of directing battles in times of war. The third is to improve the quality of science and culture. A modern war is fought under conditions of high technology. Without knowledge of science and culture, it is difficult to study and control a war. Besides, at a time when socialist modernization is developing rapidly, it will be very difficult for cadres transferred from the armed forces to adapt themselves to civilian posts if they do not have knowledge of science and culture. The fourth is to improve the quality of management. Importance should be attached to training cadres' about the actual ability to lead troops so that they can constantly improve the level of management in the armed forces.

Vice Chairman Zhang showed great concern for building academies. On his way, he cordially visited teaching staff

at all of the academies; asked in detail about ideology, studies, and the lives of the students; and discussed with them how to further strengthen the building of academies. He said: We should mainly depend on academies in training cadres. Training given in academies should enable the fine traditions of the armed forces to strike roots in the brains of the students, to develop in the armed forces, and to maintain them there forever. We should strive to narrow the gap between training in the academies and the needs of the armed forces and should earnestly build academies into important bases for training cadres.

At present, many comrades have never taken part in a war. It is difficult to master the real skills of commanding war operations through exercises and maneuvers based on the imagination. How should this problem be solved? Vice Chairman Zhang said: The best way is to study examples of battles fought by our armed forces. We should, through such studies, increase our understanding of Mao Zedong's military thinking, solve the problem of how cadres without experience of war can acquire skills in fighting battles, and solve the problem of establishing confidence to dares to fight and to win. In studying examples of battles, we should first study examples of battles fought by our own armed forces before we study those fought by other armed forces, including examples of battles fought by foreign armed forces. On the basis of this, we should study new measures to cope with a modern war fought under changed and developed conditions.

Making light of rugged mountain paths and a high temperature of 34 degrees centigrade, Vice Chairman Zhang stooped and entered tents as hot as food steamers to cordially visit soldiers of units which were garrisoning and carrying out exercises in the open country. He told leaders present that they should provide good food for the fighters because conditions of garrisoning and carrying out exercises in open country were very tough. He also looked with great interest at the newly upgraded training equipment used by the armed forces and their academies. He repeatedly emphasized: The objective of carrying out reform of training must be clear and we should not practice formalism. We should properly integrate men with weapons and should strive to increase the actual effects of training.

At the end of his investigations and studies, Vice Chairman Zhang also made an important speech on deepening study of Volume 3 of the *Selected Works of Deng Xiaoping* and unswervingly upholding the party's basic line for 100 years, on implementing the "Program for Building Grass-Roots Army Units" in order to comprehensively strengthen the building of grass-roots army units, on upholding the principle of supporting militia activities with production and doing both production and militia duties and making great efforts to promote the building of militia and reserve forces, and on further improving leadership style and properly carrying out work in various aspects.

#### **Beijing Reportedly Developing Laser, Neutron Weapons**

HK0306070094 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 p 19

["Reference News" by Chien Yen (4675 0088): "CPC Develops Laser and Neutron Weapons"]

[Text] Liu Huaqing, vice chairman of the CPC Central Military Commission, and Li Jijun of the General Office of the Central Military Commission inspected a project testing and producing laser and neutron weapons in Sichuan's Yaan area. While meeting military and research personnel at the testing ground, Li Jijun said that we were now in a leading position in the world in the development of laser and neutron weapons, and such weapons would produce powerful effects in wars against hegemonist aggression and Taiwan independence. Once used in military operations, the effects would match the electronic warfare in the Gulf several years ago. Reportedly, some laser weapons have been installed in combat aircraft and missile gunboats.

### **Economic & Agricultural**

#### **Zou Jiahua Speaks at National Price Monitoring Meeting**

##### **Urges Continued Price Inspections**

OW0206162694 Beijing XINHUA in English 1529 GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—Chinese Vice-Premier Zou Jiahua called for continued nationwide price inspections to check inflation.

Price rises have slackened recently, but it is necessary to continue to curb inflation, to stabilize the market and to lower prices, the vice-premier told a three-day national conference on price inspection, which closed today in Beijing.

Zou said that the aim of the price reform is to build a market price system with a reasonable resource distribution and indirect government control.

To achieve this goal, it is imperative to change the price formation mechanism, straighten out the price system and reform traditional price management.

But the vice-premier stressed that even if the price reform is completed, the government will still exercise controls of various forms over commodities and services either under state monopoly or necessary for the public good.

He pointed out that after state controls over prices are lifted, it is necessary to transform the price mechanism and to raise the prices of basic products and infrastructural facilities in a gradual, planned way.

Currently, he said, price hikes are accompanied by fake and shoddy goods and staggering profiteering. Efforts must be made to crack down upon these illegal activities, he said.

Zou noted that the relationship between macro-controls over market prices and economic growth must be handled correctly.

In addition, governments at all levels must pay attention to price legislation, he said, adding that a price law and



regulations curbing cheating, price gouging for unreasonable profits and monopolies must be formulated soon.

To check price rises, the State Council, China's cabinet, will again send inspection groups to provinces and autonomous regions across the country in mid-June.

### **Says 'Long Way To Go'**

HK0306084294 Beijing CHINA DAILY in English 3  
Jun 94 p 1

[By Sun Shangwu: "State Begins New Drive To Steady Prices"]

[Text] The State Council, China's cabinet, once again, in mid-June, sent price monitoring teams across the country, to continue efforts to bring prices under control.

Leaders at all levels should correctly perceive the meaning of "price reform," Vice-Premier Zou Jiahua said at the closing session of a national meeting on price monitoring.

He emphasized that price reforms help establish a socialist market economy.

He observed that some people think government will let producers and retailers set prices freely after price reforms are in place.

"This is totally a misunderstanding of price reform," Zou said.

China will establish a price system mainly based on market demand and supply, and a price readjustment mechanism supervised by the government.

He conceded that price reforms have a long way to go, although control on prices of most commodities have been lifted.

The vice-premier revealed that the government would continue to adjust the prices of some essential materials and utilities in line with market reforms. He did not elaborate.

Zou blamed profiteering, marketing of shoddy and inferior goods and fraud for the current price rises adding that this problem must be solved through nationwide price inspection.

Monitoring also is expected to control market price fluctuations and prevent unauthorized price hikes.

"China's overall economy and local development will both benefit from this," Zou told the meeting.

He called on local authorities to keep pace with the central government, to take uniform action to curb price hikes.

"Governments at all levels must put price inspection on top of their working agendas," he said.

He called for faster drafting of China's price laws and regulations, prohibiting profiteering and price cheating.

The State Council at the end of March sent six price inspection teams to 14 provinces to promote efforts in curbing inflation.

Price inspectors have, during the two months from March 10 to May 10, uncovered more than 190,000 cases of price violations, involving some 400 million yuan (\$46 million) in illegal price charges.

### **State Council Vice Premier Inspects Wuhan Auto Plants**

HK0206134294 Beijing ZHONGGUO XINWEN SHE  
in English 1208 GMT 2 Jun 94

[Text] Beijing, June 2 (CNS)—Vice Premier of the State Council of China Mr Li Lanqing made an inspection tour in Wuhan, capital of Hubei Province from May 28 to June 2 to investigate development of the Dong Feng Automobile Manufacturing Corporation there, saying a big problem facing the automobile industry in China was its decentralized layout resulting in a number of "small but all inclusive" enterprises and repetition of establishment of such enterprises at a low level, thus it was difficult for China's automobile industry to participate in the international competition in terms of quality, production cost and technology. The automobile industry in the country should concentrate in producing a number of backbone enterprises to meet the international challenge and competition.

China has listed its automobile industry as one of the pillar industries of the country. Facing the grim situation of re-entry GATT, the State Council has enacted the new industrial policy for the automobile industry and the relevant document will be published in not far distant future. According to the document, the Dong Feng Automobile Manufacturing Corporation, the First Automobile Manufacturing Factory, the Shanghai Automobile Manufacturing Factory and the Tianjin Automobile Manufacturing Factory have become the four biggest car manufacturing bases in the country. Support should be given to certain key enterprises in the improvement of their economic performance by bettering management so as to speed up their development.

Mr Li asked the Dong Feng Automobile Manufacturing Corporation to increase its production capacity of Fu Kang-XZ car, which was co-produced with the Citron Group of France, to a size of annual output of 150,000 cars, increasing the rate of product indigenization and reducing production costs while guaranteeing quality of products.

There are now more than 120 automobile manufacturing factories in the Mainland, most of which are considered by Mr Li as "repetition at a low level". At a cross-road of co-existence of opportunities and challenge, Mr Li said China's automobile industry must solve the problem of "small size, decentralized layout and disorder in production" in a bid to develop backbone enterprises which have ability of technological development, ability of production in a large scale and perfect marketing and service network.

Mr Li made it clear that China would not approve the establishment of any new automobile manufacturing factory including joint ventures in the coming years but would welcome foreign businessmen to develop, research and produce on a large size automobile accessories for the purpose of export.

#### **Chen Junsheng Stress Effective Local Land Use**

OW0206162394 Beijing XINHUA in English 1431  
GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—Chinese State Councillor Chen Junsheng urged localities this Tuesday [31 May] to make effective use of their land resources in light of dwindling arable land and steady population growth.

In a national conference on comprehensive agricultural development, Chen stressed the importance of agriculture in coastal provinces.

He warned officials from the coastal areas, "the consequences would be dangerous if the secondary and service industries are developed at the sacrifice of agriculture."

A task of key importance for China is to adopt measures to make optimal use of land resources so as to ensure the steady and sustainable supply of farm products, he said.

To do so, he said, local governments should intensify their efforts in improving the country's 57 million hectares of low-yield farmland which is a potential food basket.

According to Chen, China has already improved nearly 10 million hectares of low-yield land and reclaimed another 1.1 million hectares of waste land in the five years from 1988 to 1993.

The key to further efforts in this respect lies in the construction of irrigation projects, extension of fine seeds and development of new cultivating techniques, he said.

Chen also urged local governments to fortify sandy land to make it productive. He told the officials present that China has about 67 million hectares of sandy wasteland. "It would produce considerable social and ecological benefits if we could develop just ten percent of this land in ten years," he said.

Meanwhile, he called on local governments to develop tidal zones and reclaim land by enclosing sea beaches. Chen said China's coastal provinces have a total of 1.3 million hectares of tidal flats which can be reclaimed. "Economic results would be enormous if we could turn half of this area into arable land," the state councillor added.

In the conference, Chen lauded the efforts by Liaoning, a major industrial province in China's northeast, to provide ample food for its people.

According to the state councillor, Liaoning used to rely on other provinces for supplies of grain and major foodstuffs. However, the province doesn't have to transport grain from other provinces anymore as it has boosted its grain output to 15 billion kg since 1990.

The province now boasts of surplus supplies in domestic poultry, eggs, milk, meat and vegetables. "Liaoning Province has set us an example to attain coordinated development in the first, second and third industries for other coastal areas," he said.

#### **Chen Junsheng Comments on Agricultural Coastal Development**

OW0206210594 Beijing XINHUA Domestic Service in  
Chinese 0636 GMT 2 Jun 94

[By reporter Pu Liye (5543 4539 2814)]

[Text] Beijing, 2 Jun (XINHUA)—State Councillor Chen Junsheng recently said emphatically: In economically developed coastal provinces, agricultural development does not conflict with the development of secondary and tertiary industries, and agricultural development and industrial development are not interchangeable. Those who think the development of secondary and tertiary industries will eventually affect agricultural development are wrong. He added: As long as cadres at all levels earnestly take the overall interests into consideration, they will be able to promote and develop primary, secondary, and tertiary industries simultaneously. If they develop secondary and tertiary industries at the expense of agriculture, the consequences will be perilous.

The State Council held a joint conference on comprehensive agricultural development in Beijing on 31 May. Leaders from departments concerned of the CPC Central Committee exchanged views on the arrangements for such comprehensive agricultural development projects as the Liao He Small Delta development project. Chen Junsheng pointed out at the meeting: We are faced with a very important task—under the situation in which the population continues to grow and farmland shrinks with each passing year, how can we take effective measures to utilize and develop farmland resources to the maximum, ensure a long-term and stable supply of agricultural produce, and pay attention to family planning and control of illegal use of farmland at the same time?

Chen Junsheng urged localities to do a good job in the following aspects while developing and utilizing land resources:

First, we need to further transform medium- and low-yield farmland and quicken the pace of rationally cultivating wasteland. He said: From 1988 to 1993, 145 million mu of medium- and low-yield farmland has been transformed, and 17.25 million mu of wasteland has been cultivated across the country. These two projects helped increase 1.915 billion kg of grains, a increase of 105 kg per mu. It is a great achievement. At present, 855 million mu of medium- and low-yield farmland nationwide has not yet been transformed, indicating great potential in the increase of grain production. The key to achieving the task lies in irrigation construction, popularization of improved varieties of grains, and development of new cultivation techniques. From now on, we should further arouse the enthusiasm of all sides and intensify efforts in cultivating

wasteland. In this field, we must persist in paying equal attention to economic, social, and ecological efficiency.

Second, we must turn the desert into an oasis. China now has 1 billion mu of usable sandy wasteland. If we spend 10 years developing 100 million mu of sandy wasteland, we will get incalculable social and ecological benefits. He said: China has accumulated plenty of successful experiences in desert control and we should popularize these experiences in various localities in line with local conditions.

Third, we should develop coastal shoals and reclaim land from marshes. Chen Junsheng said: There is nearly 20 million mu of shoals along China's coastal provinces that are suitable for cultivation. If we can turn 10 million mu of these shoals into farmland in 10 years, we will gain huge profits.

Chen Junsheng spoke highly of Liaoning's measures to promote comprehensive agricultural development in recent years and its achievement of being more than sufficient in agricultural produce. Liaoning, China's base of heavy industries and raw materials, had been short of grain and major nonstaple food for a long time. Since 1988, Liaoning has made efforts in comprehensive agricultural development and has significantly increased grain production. Since 1990, total grain production in Liaoning has reached 1.5 billion kg, enough for the entire province. Since then, Liaoning has not needed to import grain from other regions. Currently, Liaoning has a sufficient supply of nonstaple food like poultry, eggs, milk, pork, and vegetables. Chen Junsheng pointed out: Liaoning offers a good example to other coastal provinces in coordinately developing primary, secondary, and tertiary industries.

#### **Economic Coordination Meeting Held in Beijing**

OW0206210394 Beijing XINHUA Domestic Service in Chinese 0901 GMT 1 Jun 94

[By reporter Li Anding (2621 1344 1353)]

[Text] Beijing, 1 Jun (XINHUA)—To further improve the overall coordination of economic performance, the State Economic and Trade Commission recently held in Beijing the first meeting on the overall coordination of economic performance. The meeting was attended by officials in charge of concerned departments.

Comrades attending the meeting were of the opinion that, under socialist market economic conditions, it had become increasingly important to adopt new methods in line with market economic work to guide economic performance. They said: Currently, we should improve the overall coordination of economic performance in accordance with the new characteristics of the market economy, stressing "overall" and "coordination." We should ensure that the economy develops in a sustained, rapid, and healthy manner by exercising regulation and control over economic performance in a timely fashion.

The primary purpose of the meeting was to study how to establish a system for holding meetings on the overall coordination of economic performance. The meeting also

seriously analyzed current economic performance and studied ways to further improve the overall coordination of economic performance, to coordinate relevant policies, and to implement relevant measures.

While analyzing the current economic situation, especially the situation of state-owned enterprises, Wang Zhongyu, minister in charge of the State Economic and Trade Commission, said: First of all, over the last few years the state has adopted many policies and measures aimed at state-owned enterprises, and party committees and governments at all levels and enterprises themselves have done a great deal of work; as a result, state-owned enterprises' conditions have improved. State-owned enterprises have made and will continue to make great contributions to the country's reform and development. Second, we should pay great attention to and strive to solve difficulties and problems related to some enterprises' production and management. Some specific requirements and time are needed to solve these problems. Third, state-owned enterprises have vitality; we are full of confidence in improving their performance. During the first quarter of this year, some new developments occurred in state-owned enterprises. By conducting a pragmatic analysis, we can find that state-owned enterprises have improved in some way and have developed in the right direction. Because of this, state-owned enterprises over the last few years have been able to cope with various negative effects (including adjustments in coal, electricity, oil, and transportation prices) and have provided the state with a large amount of wealth. As the measures to reform the financial, taxation, and foreign exchange systems are being carried out, the new systems have basically functioned normally. During a period of time to come, we should make special efforts to improve work related to state-owned enterprises. We should make further efforts to transform enterprises' operating mechanisms and to establish a new enterprise system. We also should do a good job in experimenting with the enterprise bankruptcy system, clearing up enterprises' debts, increasing enterprises' own funds, limiting enterprises' production and reducing their stocks, improving enterprises' profitability, and improving enterprise management to raise work related to state-owned enterprises to a new level.

Those attending the meeting included officials in charge of the Ministry of Metallurgical Industry, Ministry of Coal Industry, Ministry of Electronics Industry, Ministry of Machine-Building Industry, Ministry of Chemical Industry, Ministry of Geology and Mineral Resources, Ministry of Railways, Ministry of Communications, Ministry of Internal Trade, Ministry of Foreign Trade and Economic Cooperation, the China National Textile Council, the China National Light Industry Council, the State Administration of Taxation, and the State Statistics Bureau.

#### **Guangdong Shuts Down 'Trademark Infringers'**

HK0306085894 Beijing CHINA DAILY in English 3 Jun 94 p 3

[By Ma Zhiping: "Trademark Infringers Shut Down"]



[Text] A number of illegal producers and retailers have been closed down in Guangdong Province for infringing on the property rights of Lucozade, a British beverage trademark, according to the State Administration for Industry and Commerce (SAIC).

The local administrations for industry and commerce in Guangzhou, Shenzhen and Zhanjiang cities started the investigation immediately after Beecham Group PLC [public limited company], the British holder of the trademark, handed in its complaint about the infringement.

The infringers were promptly ferreted out in early April, with 947 boxes of bottled beverages, 600,000 bottle tops, 52,000 packages and 58,000 empty bottles seized, according to a report issued by the SAIC last week.

This is the latest case handled in Guangdong, a province which has won praise from foreign businessmen for protecting their registered trademarks in China.

In the capital city of Guangzhou alone, more than 900 foreign trademark violation cases have been investigated and dealt with in the past decade, which made up 15 percent of the total trademark infringement cases in the city.

Most of the cases handled in Guangzhou concerned trademarks from Hong Kong, Japan, Italy and the United States such as the trademarks for Goldlion, Sharp, Sony, Diadora, Levis and Mobil.

China stands firm on the protection of the exclusive rights of the trademarks registered by foreign businesses in China, said a trademark administration official with SAIC,

The number of trademark infringement and counterfeiting cases handled by the Chinese administrative authorities for industry and commerce reached 13,042 last year out of which about 500 cases involved foreign trademarks, as disclosed by SAIC statistics.

The State's vigilant efforts continue, although the number of trademark violation cases handled so far this year is unavailable, said the official.

To ensure rigorous protection, China has so far promulgated the Trademark Law, the Patent Law the Copyright Law, and, the Law Against Unethical Competition, among other laws and regulations, all of which provide a legal guarantee for the protection of intellectual property rights.

There has been a rapid increase in trademark applications filed in China by foreign manufacturers and traders. The number of registered trademarks amounted to 59,466 by the end of last year, which was 10 times that of 1979.

#### **Six Southwest Provinces Set Up Appraisal Center**

HK0206150394 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0600 GMT 21 May 94

[Text] Nanning, 21 May (ZHONGGUO TONGXUN SHE)—The Xinan Appraisal Center—China's largest appraisal institution on the quality system of export-manufacturing enterprises (ISO9000)—yesterday opened

for business in Nanning, marking the first step of a joint effort by the six southwest provinces and cities of Sichuan, Chongqing City, Guizhou, Yunnan, Guangxi, and Tibet to bring their practices in line with international conventions.

Experts at yesterday's inaugural convention of the Xinan Appraisal Center said that cooperation between economically advanced areas in southwest China has resulted in considerable economic growth. The region now boasts thousands of exporting enterprises which are getting increasing numbers of overseas production orders. Given the situation, the six southwest provinces and regions joined hands in establishing the Xinan Appraisal Center on the quality system of export-manufacturing enterprises to push for the ISO9000-series international standard, which will link the region with the 50 countries that adopt this standard.

Experts claim that the center is the largest appraisal center covering the widest geographic area among the 20 so far registered in China. It will effectively promote the quality management of exporting enterprises in the southwest region and increase the competitiveness of their products.

#### **Beijing To Build Textile Street**

OW0306023294 Beijing XINHUA in English 0207 GMT 3 Jun 94

[Text] Beijing, June 3 (XINHUA)—A textile street will be built in eastern Beijing in the coming years.

The street will be built at the sites of Guanghua Street and Chaoyang Street in the Chaoyang District of the city. At present, ten large textile enterprises, with total fixed assets of 900 million yuan and 35,000 workers, and covering an area of two million sq m [square miles], are located in the area.

According to the city's new programs, the workshops of these enterprises will be moved out to the suburbs or to materials production areas, while this area will be developed into textile and clothing research and information centers, trading centers and commercial apartment buildings.

The city plans to build two million sq m in residential space in the area by 2000, which will bring much more profit than the sluggish textile enterprises.

Meanwhile, all textile production facilities will be moved out of the downtown area by 2000. On the sites, stores, hotels and trading centers will be built.

Experts predict that the annual sales volume of Beijing's textile industry will reach 10 billion yuan by 2000, 1.5 times that of the present.

#### **'Special Report' Views Agricultural Problems**

HK0206113894 Beijing LIAOWANG in Chinese No 18, 2 May 94 pp 12-21

["Special report": "What Are the Agricultural and Rural Problems?"—LIAOWANG Invites Experts in Rural Problems, Including Wang Yuzhao (3769 6735 2507), Wu

Xiang (0702 6272), Chen Xiwen (7115 6932 2429), Chen Jiyuan (7115 0679 0337), and Duan Yingbi (3008 2019 4310), to a Discussion Sponsored by Its Editorial Department"]

[Text] Wang Yuzhao, member of the Standing Committee, and vice chairman of the Economy Committee, of the National Committee of the Chinese People's Political Consultative Conference: "Sobering Signs of Danger."

The agricultural problem has already drawn the attention of society as a whole. The party Central Committee and the State Council have called two meetings on rural work within a short time. Add to this the Eighth Plenary Session of the 13th CPC Central Committee, which was held before the 14th National Congress of the CPC and was devoted specifically to the study of agriculture and rural Problems, and we have the issue being raised three times. This indicates that the Party Central Committee and the State Council are very concerned about the problems in agriculture and rural China.

In recent years, with the development of a market economy, some new situations and new problems have occurred in rural work. Some call these contradictions at a deeper level; others call them crises. I believe that, at the current stage, many significant signs of danger have indeed appeared in the countryside. If handled properly, the problems can be resolved. If not solved in a timely fashion, then problems may occur which have serious consequences.

Since the rural reform was implemented after the Third Plenary Session of the 11th Party Central Committee, the development trend of China's agriculture has been very good. Farm products have increased on a large scale; farmers' income has risen substantially; township and town enterprises have sprung up as a new force; and the construction of small rural towns has also seen substantial development. Despite a few years of stagnation, the development trend, on the whole, has been good. Production development brought on by rural reform has enabled us to stockpile over 300 billion jin of grain and a large quantity of cotton reserves. The increase in output of various agricultural products has provided ample raw material for the development of textile and other light industries, and township and town enterprises have created an output value of 2.9 trillion yuan. Both rural work and rural production have seen great achievements. However, some new contradictions and new problems, or signs of danger, which have been exposed in recent years should draw our attention. Comrade Deng Xiaoping said long ago that the 1990's will either see no problems, or, if there are problems, they will be in agriculture. What, then, are the main problems faced by agriculture?

First, the most important manifestation is a drop in the production enthusiasm of farmers, especially the enthusiasm for farming. When the contract responsibility system on a household basis with remuneration linked to output was first implemented, farmer enthusiasm was very high, and the agricultural productive forces, held back for many

years, were suddenly released. Hence the great achievement that was obtained. The drop in farmer enthusiasm in recent years cannot but catch our attention and alert us. The most active element in the rural productive forces is the farmer. If the farmers are not enthusiastic, how can agriculture move forward?

Why then has farmer enthusiasm dropped? There are basically two reasons. The first is the slow increase in farmer income. During the two years of 1988 and 1989, farmer income saw negative growth; in 1990 and 1991 there was some increase; and during the recent two years it has again increased, albeit at the slow speed of 2 percent. The fall in farmer income has affected the material interests of the farmers, the urban/rural income gap has widened, and farmers have felt it very unfair. The second is the substantial reduction in farmland. This includes two factors: One is that development zones have occupied large plots of land, and the other is that, because the comparative benefits of farming have fallen, farmers have been unwilling to till the land and leave some land uncultivated, making China's traditional contradiction between a large population and the shortage of land even more acute.

Second, the decrease or slow increase in agricultural output. Although last year grain output exceeded the 900 billion jin mark, many have expressed doubts about this because the cultivated area dropped last year, sales of chemical fertilizer were down, and grain prices went up. Therefore, although one can say that grain output broke a historical record, whether farm products can steadily increase still remains a very worrisome problem in the national economy. The output of cotton was over 47 million dan, while demand was 80 to 90 million dan. In addition, the output of sugar-bearing crops dropped, and oil-bearing crops were also in short supply. Another phenomenon worth noting is that, in the past, grain from the south was shipped north, but now grain from the north is being shipped south. Guangdong may purchase over 10 billion jin of grain this year (for human consumption, animal feed, and industrial use) this year.

Third, the reduction of agricultural input. According to statistics provided by the Ministry of Agriculture, at its highest point China's agricultural basic construction input occupied 10.3 percent of national basic construction investment (1978). Since rural reform, the investment scale for agriculture has been continuously depressed. During 1987 and 1988 it slowed to 3.3 percent, and, while 1989 saw a slight increase to over 4 percent, last year it dropped again to 2.2 percent. The government's input in agriculture has not been reduced; it is mainly that local input has been reduced. If the relevant departments continue to neglect this issue, the input in agriculture may continue to drop. Agriculture is also an industry, and without input there will be no output.

Fourth, the gap between industry and agriculture has widened; the income gap between urban and rural residents has exacerbated; and the gaps between the eastern and coastal regions and the central and western regions have expanded. It should be pointed out that uneven development in urban

and rural areas and in the eastern and western parts of the country is normal. Only through the relatively faster development of the east can the comprehensive development of the entire country be brought about. However, a disproportionate development of industry and agriculture will inevitably affect the entire national economy. Without developing agriculture, the whole economy cannot develop in a healthy manner. History has already given us good experience in this area. Now the disparity between the development of industry and agriculture has advanced to the brink of danger. If we continue to avoid adjusting it, and if agriculture continues to be denied real support, the entire national economy will be unable to bear the burden.

The gap between agriculture and industry has expanded. Last year, urban per capita income grew 10.3 percent, while in the countryside it only grew 3.3 percent. The income growth ratio between urban and rural residents is 2.8 to 1. The ratio before reform was 2.4 to 1, but, some time after reform, it was reduced to 1.7 to 1. Now the gap between urban and rural areas has expanded again, and farmers feel it is very unfair. Recently, a Shanxi farmer wrote a letter to say that 2 jin of rice can only trade for 1 Hongtashan cigarette and 2 jin of wheat trade for 1 jin of chemical fertilizer. The scissor gap between prices of industrial goods agricultural products is becoming larger and larger.

**Fifth, the yearly expanding migrant labor tide reflects that the employment situation for rural surplus labor has already become very acute.** In recent years the tidal wave of migrant laborers has risen ever higher. According to estimates, China's rural surplus labor force has already reached 130 million people. Several dozen million people traveling outside their provinces have a major impact upon society. This is the result of the rural employment problem. After liberation, China practiced a residence registration management system which tied farmers firmly to the land. Farmers had no freedom to go out to seek a living. Now there is a surplus labor force, and in many places it is "one month for the Lunar New Year Festival, three months for farming, and eight months with nothing to do." Since reform and opening up, especially under the onslaught of the market economy, those farmers who cannot find any occupation in their localities leave their home and land for the big cities and open coastal regions. Since 1989, the scale of migrant laborers has increased annually, and by last year the transprovincial migrant population exceeded 20 million.

A few years ago this problem was still neglected and people had an incorrect understanding of the phenomenon. Some people tended to view migrant laborers as "aimless vagrants" and wanted to block them or even to use an iron broom to sweep them from the cities. Today the situation is better. Prime Minister Li Peng has cleared the name of migrant laborers in his report to this year's National People's Congress, pointing out that the movement of farmers is the flow of history and an unavoidable trend of economic development. The migrant labor problem has begun to draw attention from various quarters, and the people's understanding of this issue is becoming unified.

**Sixth, the contingent of agricultural science and technology workers is shaky and unstable.** It should be pointed out that scientific and technological progress and popularization have played an important role in China's agricultural development. According to estimates, the role of the science and technology factor in agricultural growth has been approximately 40 percent. During the past two years, however, due to the impact of the market economy and the trend of increasing earnings, the contingent of rural science and technology personnel has become unstable. Many people have entered the business world to earn money, and some technicians have switched to other fields. This, too, is a danger sign for agricultural production.

I have listed the danger signs above. On the whole, the most serious problem is the drop in productive enthusiasm among the farmers. Next is the migrant laborer problem. If this problem is not solved properly, the rural surplus labor force will not be able to find an outlet, the countryside will not be able to realize a relatively well-off standard of living, and modernization will not come about in China.

That the aforementioned problems have developed to such an extent today is perhaps related to our failure to catch up with the study of agricultural policies. The forces studying agricultural policies are currently scattered. We should concentrate our forces in studying the new problems and new situations occurring in rural work. Many new phenomena and new problems have appeared in the countryside, and these all require that us to do in-depth studies and sum them up in a timely fashion.

Danger signs have already appeared in agriculture. Fortunately, the party Central Committee and the State Council are already paying attention to and taking measures to solve these problems. Within a period of less than six months, two meetings on rural work have been called and some policy measures have been adopted. The key issue right now is implementation and execution. One should say that the policy measures adopted by the central government are good, but that execution and implementation measures are weak. So, for example, in the end how much diesel oil for farm use or chemical fertilizer should be supplied at fixed state prices? The central government's determination is great, but the execution at the actual grass-roots level will always be watered down. At present, I think the most worrisome problem is that the central policy measures cannot be implemented. This is the greatest problem.

One of the key reasons why the central government's policy and measures cannot be implemented is structural. The central authorities have held several good meetings, but after the meetings there needs to be a forceful authoritative organ which can take charge of coordination and ensure implementation. All the decisions made in the previous meetings on rural work have been very good and very valuable. If they had all been actually implemented, China's agriculture would not have gone wrong. The current situation, in which each department does as it likes according to its own interests, should on no account be allowed to continue.



**Chen Xiwen, director of the Rural Development Research Department of the State Council Development Research Center: "The Central Government's Policies and Measures Are Good, But It Is Difficult To Implement Them at the Local and Departmental Levels"**

The importance of agriculture and the need to pay attention to the farmers' problems have been elaborated many times during recent years in the speeches of leading comrades, in newspapers and periodicals, and in documents. But many agricultural and rural problems remain, and people are still not assured about the future of agriculture. Where lies the problem?

**Investigation and study have not been conducted sufficiently or thoroughly; the basic situation of agriculture and farmers is unclear, and there has been a delayed reaction to major rural problems.** Currently, one outstanding problem is that some leading organizations tend to react rather slowly in dealing with major rural problems. For example, although the problem of the farmers' burden has been talked about a great deal and much attention has been paid to it, many places still restrict their focus to increasing or decreasing farm products when judging the agricultural situation. Therefore, these people feel the situation is not bad, based on the increase in the supply of farm products in 1989, 1990, and 1991. Thus, they have actually neglected a series of serious problems brought about by the slowdown in the farmers' income growth or the reduction of income. This situation has caught the attention of the party Central Committee and the State Council. Actually, the burden problem is the other side of the income problem. If income rises rapidly, then a slight burden is no big deal. The main problem is that income has been rising slowly for three or four years in a row, and thus the burden seems particularly acute.

For example, the increase in farmer income recovered a bit in 1992 and reached 5.9 percent. This, perhaps, caused some leading departments to lower their guard, thinking that the problem had been solved. Actually they did not see that, in 1992, the economy developed rapidly due to Comrade Deng Xiaoping's speeches during his southern trip, especially in the southeastern coastal regions, and that there was a great deal of rapid growth in township and town enterprises. The 5.9 percent increase of 1992 actually covered up a great income discrepancy among farmers of different regions. I did some analysis of farmer income in 1991 and 1992. In more than half the provinces and municipalities, farmer income dropped. Even though 1991 saw a 2 percent growth, 1992 saw a 5.9 percent growth, and the national average was rising, in reality farmer income in more than half the provinces and municipalities was dropping. Seen from the perspective of the entire country, the problem of adequate food and clothing has been solved. After basically solving this problem, however, the supply of farm products is still an important problem.

On the whole, in evaluating the situation of the entire countryside, the index carrying the greatest overall weight should be farmer income. If farmer income does not increase, then the product increases you want cannot, in

reality, be realized continuously. The situation in recent years reflects this. As Comrade Wang Yuzhao said just now, the lack of in-depth investigation and study causes the response to these major rural problems to be delayed.

**Meetings are held, documents are issued, and understandings reach the higher levels, but if you want people to make real sacrifices, nobody will. The problem of "slogan agriculture" is far from being resolved.**

A very important problem now is that rural policies cannot be implemented. According to my information, the rural work conference held in October last year issued a document covering a dozen or so concrete policies, the majority of which have not been implemented. For example, central document no. 11 issued in 1993 says that the banking system should issue an additional 22.5 billion yuan in loans for agriculture. By the time of the rural work conference this year, when we were again drafting a document, we saw people from the Agricultural Bank and asked about that 22.5 billion yuan. The reply was: The notice they received was that the entire 22.5 billion yuan was only the scale of credit, not the actual funds, so no money had been issued. There are many similar stories. I remember that funds were very tight last year. The document sent to central leaders for discussion had brackets after each policy, listing how much money was to be involved in each project. All the various department heads discussed it and acknowledged their responsibilities. Then the brackets were taken out, because listing concrete amounts of money in a central government document looked too trivial. The result was that, after the document was issued, not a penny materialized.

Another problem with agriculture is that, after the grain price fluctuations of last year, the party Central Committee and the State Council were very concerned and made a whole series of arrangements and held a series of meetings on stabilizing grain prices and on the shopping basket project. The purpose was to solve the effective supply problem. An outstanding problem in solving the effective supply problem is to keep an ample supply of means of production. However, looking at the current supply of means of production, the problem is still very acute. If this problem is not solved, then I think it will be very difficult for agriculture to recover and develop this year.

According to the fertilizer supply situation of previous years, each year we have to import 5 or 6 million tonnes of chemical fertilizer before the year's end, when the current year's use of fertilizer is finished, to prepare for the spring plowing. Last year there was a shortage of over 2 million tonnes. So, during this spring plowing, when the spring wheat is sown, there will be no chemical fertilizer, and we may have to sow seeds by themselves. Another problem is that, due to the impending readjustment in this year's foreign currency exchange and oil prices, all departments were watching and would not make a move. It was not until February that the Planning Commission delegated quotas for the import of chemical fertilizers and called for the signing of contracts during the first half of the year for

the importation of 6.2 million tonnes of chemical fertilizer. So I went to inquire. By March 31, order forms had only been filled for 322,000 tonnes, equivalent to 5 percent of the quota. Judging from the current situation of the order, only 122,000 tonnes of imported fertilizer will arrive before April 30. Up to now the first half year's imported fertilizer is still unaccounted for. In mid-February the State Council issued an emergency telegram asking local governments to organize chemical fertilizers. But when it comes to execution, it ends up like this.

What is the reason for this? The Agricultural Materials Company says one of the major problems they encounter is the shortage of supplies. Compared with the same period last year, the first quarter lacks over 6 million tonnes of fertilizer. The chemical fertilizer for the spring plowing in northeastern China actually has no guarantees. Now we are solving the spring plowing problem for the south, and there are still no guarantees. First, supplies are extremely rare, and, second, we must deal with the prices of the means of production. There is no way to manage, and nobody has come up with a good method.

Let us take the price of urea, a chemical fertilizer, for example. We will only talk about the prices allowed and fixed by the state. Before October 1, 1992 it was 538 yuan/tonne. The price adjustment of October 1, 1992 was approved by the State Council, adjusting it to 660 yuan/tonne. By March 1993, only 5 months later, again with the approval of the State Council, the hidden subsidy was changed to an open subsidy and volumes were kept the same, while prices were liberalized. The factory price permitted by the State Council was 1000 yuan/tonne, and the highest retail price was 1200 yuan/tonne. Thus, before October 1, 1992 the price was only 538 yuan/tonne, while prices after March 1993 were 1200 yuan/tonne. In less than a year and a half, the price had more than doubled. What compensation has been given to the farmers?

On March 23, a national conference of managers from means of production companies was held. The factory price of major chemical fertilizers by then had actually reached 1100-1150 yuan/ton, representing another rise of 100-150 yuan. The price-limiting measure had not been canceled but prices had, in fact, gone up again.

These problems have all been emphasized, everyone claims to be very concerned, and many documents have been issued. But when it comes to the execution of concrete guidelines, then there is no well-thought plan as to how to execute them, who is responsible, or how to solve problems. For example, with chemical fertilizer in very short supply and its price soaring this year, the means of production companies also find themselves in a difficult position. Should they buy or shouldn't they, and, if they import at such high prices, wouldn't the farmers curse them? It is not clear who is ultimately responsible for problems like this or who one should go to when problems arise. These are rather major problems, and more concrete problems are innumerable. It boils down to "slogan agriculture." When you really want people to make sacrifices, nobody will.

**The supply of agricultural products is the farmers' responsibility, and the prices of agricultural products are the farmers' responsibility. Just how much can the farmers bear? It is only fair to have the "three parties share it."**

I believe that, under the present situation, when the rural economy is facing so many difficulties, we must persist in the goal of reform. This is also an important issue worthy of note and serious study. When supplies are short, should we put them under unified control or liberalize them? There is currently great controversy over this issue. Actually, past experience has already told us: The more you put under unified control, the less you have; the less you have, the more you put under unified control. This is a vicious circle. Whatever is liberalized increases. Of course things are not that simple; for example, cotton output dropped last year. Here there is indeed the problem of guaranteeing a basic production capability. If we can't guarantee a basic production capability, there will be a major disaster. Even if supply is sufficient but prices are high, there will still be disaster. The government has to consider all these aspects. But I believe that, if we burden farmers with both the guarantee of supply and the guarantee of prices, then the farmers' burdens are too heavy. Society has many departments and many people—what are the others doing to help? If the farmers have to be responsible for the supply of farm products as well as their price level, it becomes too difficult.

The fluctuation of grain prices last autumn actually sent a signal to society. We now face a choice: If we do not raise grain prices, supplies will decrease and the farmers' enthusiasm will be affected; to motivate the farmers, prices will have to be slightly higher. The burden at least should be shared by the various groups of society. The issue of grain price reform was raised at least seven or eight years ago—when it was said that the consequence of price rises should be born by three parties: farmers, urban residents, and government finance. Currently, many of the measures make it look like farmers have to bear all the burdens. This may lead to trouble.

The measures that we are currently adopting to revive grain and cotton production so that the government can secure grain and cotton resources must take farmers into consideration. We must not make the old mistake of wanting the horse to run fast while not letting it eat grass. Wanting them to furnish supplies without raising prices is very difficult. For example, when we went out to investigate at the beginning of the year, the farmers thought the average price of 0.5 yuan a jin was acceptable. The problem now is that people, whether they are farmers or county and township cadres, don't know that you are going to come out with a measure which will adjust oil prices later on. That is why they feel the price is acceptable. However, by the time the price of oil is raised and the summer grain has not yet been harvested, they will surely not accept the price of 0.5 yuan/jin anymore. If they do not accept it, what measures will the government take to control the supply of grain? I think we need to seriously consider this kind of problem.

At the rural work conference, it was decided that the new price of crude oil will come into effect on 1 May, but the farm-use diesel price will remain unchanged between 1 May and the end of June. This is to say, it is still necessary to watch the grain price situation. By postponing the change for two months, we will be able to take other measures if grain prices continue to rise. In a word, wait and see.

I did some major calculations. For example, I discussed things with people from the means of production company at the beginning of April. They believe that, because of the price change in chemical fertilizer, farmers will have to pay 11 billion yuan more. The Ministry of Agriculture estimated that if the state fixed price for oil is canceled this year, farmers will have to pay 13.2 billion yuan more. Added together, farmers will have to pay 24.2 billion yuan more.

It can also be clearly worked out how much grain purchases will compensate farmers. Say we purchase 130 billion jin of grain, and the price of each jin of grain rises by 0.1 yuan. This means that 18 billion yuan more can be given to the farmers. If we can harvest 70 million dan of cotton and if the cotton price is raised by 90 yuan a dan, farmers will get 6.3 billion yuan more. These two add up to 24.3 billion yuan.

This implies that you will pay 24.3 billion more to the farmers, who will in turn have 24.2 billion more in expenses. The difference is 100 million yuan, which means that each farmer will get 0.1 yuan more, while prices of other goods continue to rise. If this is the situation, then the farmers will have no enthusiasm.

Under the current circumstances, a visible problem in grain and cotton, especially groceries, is that the prices at which farmers sell are not high; it is the difference between wholesale and retail that is really large. Therefore, it doesn't solve the problem at all if you just tell the farmers to sell cheaply. The price of spinach doubles between Dazhongsi and Zhongguancun, and the farmers actually don't get much benefit from it. Therefore, the government needs to come up with reform methods, specifically, more methods to perfect the market. If we only take measures to coerce the farmers, we may end up in failure, and price fluctuations will be even greater. Keeping the prices of farm products stable will serve the purpose of maintaining social stability this year. If, however, the method we adopt in fact offends the farmers, then the goal of social stability will by no means be realized. As long as farm products can increase, the farmers' income can grow; as long as township and town enterprises can develop, the farmers' employment problem can be resolved—this traditional way of thinking needs to be revisited.

Currently, on one hand, there is a good situation in the countryside, while, on the other, problems abound. We must broaden our minds in reform and must realistically admit that the many problems we encounter now were not only unresolvable before reform, but the experience accumulated in the 15 years of reform is also insufficient to solve them. We need to create new methods and further

emancipate our minds. Two examples demonstrate that our ways of thinking are very restricted concerning the two problems.

First, according to the traditional way of thinking, as long as basic farm products increase, the farmers' income will grow. This method of thinking was actually shattered already several years ago. Sometimes grain production increases, but farmer income not only does not rise; it drops in some places. The method we adopt to increase farmer income requires serious thinking and study, with further emancipated minds.

The second challenge is that township and town enterprises have sprung up since 1984, and many comrades, including myself, thought that, as long as township and town enterprises developed, we would be able to solve the employment problem for farmers. But in the 1990's, it doesn't seem that way at all. Township and town enterprise output value has grown extremely rapidly, but the tidal wave of migrant laborers has also been rising. Township and town enterprises cannot take in so many labor hands. The farmer employment problem and income problem are linked. Thus, any new increase in farm products alone cannot increase farmer income, and township and town enterprises bring only limited job opportunities for farmers. So with so many farmers, how do we solve the employment and income problems? This is an issue requiring serious thought for the remaining years of this century. To a certain extent, the increase in the supply of farm products during 1979-1984, the continuous increase in subsidies, and the rising prices have represented small-scale fix-it measures. So has the practice of allowing farmers to run township and town enterprises on the basis of one household, village, or township. It seems that, in order to appropriately solve this problem, one must consider farmer employment and the industrialization, urbanization, and modernization processes throughout society as an integrated whole. This is a consensus among Chinese and foreign scholars. The employment problem facing Chinese farmers is indeed the number one difficult problem facing global economics. The employment of several hundred million people is no trifling business. If it is solved well, the country will be prosperous and the people will be strong; if not, there is the possibility that the country will fall into chaos. Therefore, our minds need further emancipation in this respect.

**Chen Jiyan, director of the Rural Development Institute of the Chinese Academy of Social Sciences: "Several Problems in the Rural Areas Which Urgently Need To Be Studied at Present"**

Fluctuations occurred in last year's grain prices, beginning in the south and then spreading to the north, and this caught the attention of the party Central Committee and the relevant departments. To address this situation, the central meeting on rural work held this March raised the slogan of three stabilizations and two balances, i.e. realizing "the stabilization of cultivated area, output, and grain reserves and the balance of total volume and different regions." In order to realize this goal, the conference



put forward a leading-cadre responsibility system and said that cultivating grain and cotton was the sacred responsibility and duty of farmers. Currently, all these suggestions are necessary and correct, but, from a long-term point of view, in order to solve the problems of China's agriculture, one must treat the symptoms along with the causes and solve the problems from the roots. That is to say, one must solve problems by raising agricultural efficiency and increasing farmer income. Otherwise, no matter what harsh administrative measures are adopted, the problems facing the Chinese countryside and agriculture cannot be fundamentally solved.

How do we fundamentally solve our problems in agriculture? I believe that we must first study and clarify the following questions by combining theory with practice.

**Our attitude toward the farmers: In solving the rice-sack and shopping-basket problems we must first consider the farmers' wallets.**

Under the planned economic system, for many years the state's view of farmers was mainly to request grain and cotton from them, while the farmers, based on their own needs, wanted to increase their income. This contradiction existed for a long time. Formerly, under the people's communes system, this contradiction was hidden by the system of everybody eating from the same big pot. After practicing the contracted responsibility system with remuneration linked to output, farmers became commodity producers. This contradiction became even more acute after the complete switchover to a market economy. Up to now, however, this problem has not been solved very well.

For example, solving the rice-sack and shopping-basket problems is a key component of guaranteeing supplies and curbing inflation. This is, of course, correct. But the purpose in solving the rice-sack and shopping-basket problems should not only be to guarantee supplies, curb inflation, and maintain urban stability, but should also increase the income of farmers who produce the grain and vegetables, letting them obtain some economic benefit. If we only were to solve the rice-sack and shopping-basket problems but paid no attention to the problem of the farmers' wallets, then in the long run, the shopping-basket will not be secure. In grasping agriculture, we should not only think about what to take from farmers but should also think about what the farmers get. If farmers increase their income by producing grain and vegetables and the wallet problem is solved, I believe the rice-sack and shopping-basket problems will also be solved naturally.

**The criterion for assessing the grass-roots cadres' work is the output value or the quantity of farm products.**

We have discussed the importance of agriculture for many years. We have continued talking about it in the past two years, and many words have been said about the correct understanding of it. It should be pointed out that Chairman Mao had already elucidated the importance of agriculture in "On the Ten Major Relationships." For example, we cannot take the Soviet road by working farmers too hard, nor can we ask the horse to run fast but

eat no grass, and so on. In the early 1960's, after some problems had occurred nationwide, the party Central Committee reiterated the fundamental position of agriculture quite comprehensively. By 1978, when the Third Plenary Session of the 11th CPC Central Committee was held and the national economy was on the brink of collapse, from an economic perspective, it was important to solve the agricultural problem. The plenary session stated that it was necessary to stabilize one end first and let farmers rest and build up strength. Only by stabilizing the farmers can the whole country be stabilized. In recent years we have continued to emphasize the importance of agriculture. The Eighth Plenary Session of the 13th CPC Central Committee made the decision on emphasizing rural and agricultural work. It was a very correct decision. After that, between last October and March this year, the central authorities called two meetings on rural work. One cannot say that we are not concerned about agriculture.

However, while the central authorities have repeatedly emphasized the importance of agriculture and have made so many decisions about it, why is it so difficult to implement these decisions? Where lies the root of the problem? Perhaps one has to seek it in structure. I believe that using gross output value as a major criterion for evaluating local cadres is a cause. Our party's strategic goal of development has already been decided. The party Central Committee has made a decision to quadruple the GNP by the end of the century. But, in evaluating departments, local governments, and cadres, I think if we only judge them according to the growth rate, especially the growth rate of gross output value, this will inevitably lead to departments and local cadres paying attention to only those industries with high output value while neglecting those industries with low output value. Agriculture is an industry with great social benefit but low output value and low comparative efficiency. It is therefore very easily put in the most neglected position. If these problems are not solved, the problem of neglecting agriculture will be difficult to solve.

We now include agricultural production as part of the criteria for evaluating achievements in cadres' official careers. Has this been implemented? It should be seriously checked. In the past, the evaluation of industrial enterprises always took gross output value as the central index. Now, changes have occurred through reform, but we still lack a scientific system for evaluating the work of local governments. Studies should be made on this topic. Otherwise, we may talk about the importance of addressing this issue every day, but the problems will remain unsolved.

**Conditions for nurturing in return: Are the conditions ripe for realizing the transition from agriculture nurturing industry to industry nurturing agriculture in return?**

We should start from the overall situation and take the perspective of combining theory with practice in studying the following question: Are the conditions ripe now, or are they in the initial stages of becoming ripe, for realizing the transition from agriculture nurturing industry to industry

nurturing agriculture in return? We are basically still not clear on this question. The issue of making transitions in stages is a basic starting point in policymaking. If we say that conditions are already ripe or are initially ripe, then we have to come up with a series of new economic policies. If we think the turning point hasn't yet arrived, then of course it is another matter.

Using agriculture to nurture industry is a process that any developing country has to go through. China has been in this process since liberation; that is, it is using the value created by farmers to support the development of industry and the development of the urban economy. After a few decades, industry has become very strong, and the ratio between industrial and agricultural output values has now been reversed, from the former 30:70 to 70:20-odd now. This demands that we study our development strategy, including issues concerning the expanding income gap between industry and agriculture and between urban and rural areas.

Looking at these aspects, I personally believe that, although we can't say that the conditions are completely ripe, we can say that conditions are initially ripe for the transition from agriculture nurturing industry to industry nurturing agriculture in return. In fact, industry has already begun to nurture agriculture, primarily in the form of township and town enterprises nurturing agriculture. Township and town enterprises in the coastal regions have played this role.

Of course, this is only my personal view. But this question is worth serious study. Only then can our agriculture have the opportunity to better develop.

**The application of protection policies. Should we lift price controls over the means of agricultural production, protect farmers, or do both?**

Currently, the prices of the means of agricultural production are up, and farmers cannot afford them. Hence the issue of protection has been raised. But how do we protect them? Some time back I attended a seminar on the mechanization of agriculture. Sales of farm machinery had dropped 30-40

since the latter half of last year. A RENMIN RIBAO reporter wrote a commentary which described it very vividly: Beginning in June last year, it was as if farmers had discussed and agreed on a course of action; suddenly, no one would buy farm machinery any more. It is impossible for so many farmers to have discussed and agreed on it. Yet the fact that "suddenly nobody would buy" indicates that economic laws are working. Why wouldn't farmers buy farm machinery? Why wouldn't they use farm machinery? The key is whether it was financially beneficial for them.

When contradictions occur between farmers and the enterprises that manufacture farm machinery, what should we do? If we let the manufacturers all go bankrupt, it will be difficult to revive them later. So we must protect them a little. However, under the circumstances that large and medium enterprises are switching their mechanisms to

enter the market, if we favor the farm-machinery manufacturing industry too much, then its ability to survive will not grow stronger, and that won't do either. Therefore, I believe that, in principle, industry—i.e., the means of agricultural production—should be liberalized. Let it go and compete in the market economy so that efficient enterprises will prosper, increase their vitality, and raise their product quality. But for farmers we should take certain protective measures—for example, we can let the price of diesel oil rise, but we must take certain measures to guarantee that the farmers can buy it at a fixed state price. Chemical fertilizer is the same. The question boils down to either protecting both ends or only one. If, given the soaring prices of the means of agricultural production, we don't try to protect the farmers' interests, agricultural production will surely drop sharply. After farm machinery went into a slump, in many places it was just as the newspaper described, "selling the iron ox (tractor) to buy the farm cattle." In some places, such as Yanqing, some farmers sold their tractors and went to Shanxi to buy donkeys. In some places in Shanxi you can see professional plowers. They don't use animal power, but manpower. All these indicate that, if we still don't take measures and let the comparative efficiency of agriculture drop, farmers will be unable to afford modern production facilities, and the modernization of our agriculture will be difficult to achieve and will even hold other things back. Some people suggest transferring farmers from cultivating the land to conducting large-scale operations on the land. This will raise agricultural efficiency and increase farmer income. But this requires a long process and requires substantial development in the non-farming industries. Water in the distance can't quench an immediate thirst. At present, we urgently need to study how to implement protective policies toward farmers and agriculture.

**Wu Xiang, president and researcher of the Chinese Society for the Study of the Export-Oriented Economy: "How To Mobilize the Enthusiasm of Farmers as Viewed From the Practice During Several Stages of Agricultural Development Since the Third Plenary Session"**

Beginning with the Third Plenary Session of the 11th CPC Central Committee, rural reform has been continuing for 15 years. Looking back, we can perhaps divide these 15 years into the following stages:

**First stage: From 1979 to 1984, grain and farm products increased rapidly, farmer income also rose rapidly, and the city and countryside were both happy.**

During the 1979-1984 period, grain production developed rapidly. Nobody thought that the problem of securing adequate food and clothing for the majority of the countryside could be solved so quickly. The number one factor behind the large increase in farm products was the implementation of the contract responsibility system on a household basis, and the number two factor was perhaps the rise in grain prices, which was fairly substantial. At the same time, the state also decided to import grain and let the countryside and the farmers rest and recuperate. These measures, therefore, greatly benefited the rural economy,

and farmer enthusiasm was high. For a few years, grain production continued to advance past two major milestones, each milestone representing an increase of 100 billion jin in output. This type of large-scale continuous growth has rarely been seen in history. During those years, farmer income increased rapidly, reaching an average growth rate of over 10 percent. With a large increase in farm income, farm products increased rapidly. So the government was satisfied, farmers were satisfied, and everybody was satisfied. But this created an illusion among some, as if agricultural problems would all be solved by production contracts and it would be plain sailing from then on.

**Second stage: From 1985 to 1988, grain production dropped for one year and remained stagnant for three. Urbanites complained loudly, but farmer income still increased to some extent. Farmers, therefore, were basically satisfied.**

In 1984 there was a bumper harvest, but immediately in 1985 there was a great reduction in yields. Actually, the drop in 1985 was foreshadowed by signs some years earlier. I remember that Comrade Wan Li read a letter at the 1983 Rural Work Conference. It was written by someone to his older brother in Beijing. It said: You all say that the situation is very good. I don't think so. Farmers are no longer willing to grow grain. It could already be seen at that time that growing grain was not profitable. If cash crops were planted on the same field, then the income would be so much more. If the field was turned into a fish pond, then the income would be even higher. If a factory was built on the land, the income would be higher still. At that time, however, the contract responsibility system on a household basis was still being pushed forward. Before that, the state's grain output had been very low. Therefore, during the early years, development had the nature of a recovery. Because all areas that practiced the contract responsibility system saw the per mu grain output increase—even though the phenomenon of farmers being unwilling to grow grain had appeared and grain-growing areas had been reduced—on the whole the total output of grain did not drop or did not drop much. Nationwide, therefore, the grain output still rose by a large margin. After 1984, however, the situation changed. This recovery-based rising trend weakened. Plus, for several years in a row, some areas that had reduced their agricultural land had made profits, and farmer enthusiasm for growing grain dropped, which led to a drop in output in 1985.

After document No. 4 of 1984 stipulated some preferential policies for township and town enterprises, the township and town enterprises developed rapidly. The result was that farmer income increased. Therefore, in the four years from 1985 to 1988, grain output dropped for one year and was stagnant for three. Even in 1988 the 1984 level was never regained. Urbanites shouted loudly. After three years of stagnant agricultural output, people from top to bottom began to pay attention. But farmers were still happy. The voice saying that without industry there is no prosperity greatly surpassed the voice saying that without agriculture there is no stability. The "peaceful" scenario left problems for later.

**Third stage: From 1989 to 1991, grain output went up, but the rise in farmer income slowed down. The income of over half of the farmers experienced negative growth.**

After the three years' stagnation, the leadership and the rank and file all made efforts, and grain output increased in 1989. But the rise in farmer income was negative. The total rise of income in the three years from 1989 to 1991 was 0.7 percent. This 0.7 percent was a national average (during that period, township and town enterprises in the coastal regions, especially in the Zhu Jiang Delta, rose on a large scale; the export-oriented enterprises developed; and the growth in their income surpassed this ratio). Actually, the income of more than half of the farmers experienced negative growth. We reflected on and recognized such an important situation very slowly and belatedly and failed to take timely and effective measures. It wasn't until 1992 that the situation began to change.

**Fourth stage: From 1992 to the present. Looking back and looking ahead into the future, I think the essential element of solving the current problems in agriculture and among the farmers is to pay great attention to the farmers' interests.**

The rural reform that began in 1979 has developed smoothly all along. But in 1985 grain output started to slip. Urbanites were very worried, and some people even began to doubt the contract responsibility system on a household basis. Later, measures were taken to increase grain production, but the farmers' income did not rise.

Looking back on it now, the root of the problem was that, for a long time under the planned system, the state's concern in the countryside was only to ask for grain and farm products from farmers, while seldom devoting any energy to the construction of the countryside itself. It did not pay attention to increasing farmer income and paid little heed to the economic interests of farmers and the improvement of their living standards. This problem has been a long term one. In the state's construction plans, careful consideration has been given to the various industrial projects that need to be launched—how much investment and what kind of equipment they require—while agriculture seldom or never received this attention. For agriculture, the authorities usually just set quotas and demanded increases of so much grain or cotton. But what were these increases based on? The measures often were not implemented. And when contradictions occurred between the city and the countryside, the countryside was often sacrificed to save the city.

Looking at the more than a decade of history since the Third Plenary Session of the 11th CPC Central Committee, we feel deeply that the spiritual essence of the policies of the Third Plenary Session was to end the previous "leftist" practice of many years, i.e. the practice of invariably asking something from the farmers while paying no attention to their interests. There has been real concern for the interests of farmers. Only when they had the political right to make their own decisions and got real benefits economically was there an unprecedented rise in



the production enthusiasm among the hundreds of millions of farmers. That was what made the miracle in Chinese agriculture of the 1980's possible.

Today the key to revitalizing agriculture still lies in truly mobilizing farmer enthusiasm. To this end we must genuinely solve the problems of farmers increasing output but not their income, the dearth of rural employment opportunities, and the fact that it is hard for farmers to get rich. Only if farmers get rich can the country become prosperous and strong. Countries throughout the world are watching us, thinking that China is a large potential market. But only when the purchasing power of the large numbers of farmers is raised can this market become the world's largest market.

In order to raise farmer enthusiasm, we must first resolve the question of increasing farmer income and then address the rural employment problem. These two are linked. Currently, this is evident in the "tidal wave of migrant laborers." It is true that, when migrant laborers come, many problems are exposed, such as traffic jams and chaos. People, therefore, usually see its negative side. Fortunately now everybody has also realized that this is a historical trend. The Ministry of Labor has been thinking of ways to solve these problems. The tidal wave of migrant laborers is nothing other than farmers coming, on their own, to look for jobs. The experience of many years has shown that farmers will always think of ways to solve rural and agricultural problems themselves. The government just needs to be a good guide and summarize experiences. With regard to such major problems as rural employment, we may have to let farmers find their own way.

LIAOWANG is a very influential news magazine which has always paid attention to propaganda concerning rural, agricultural, and farmer problems. It has published many influential reports and essays. I suggest that LIAOWANG continue this good tradition and method. So many new problems are occurring in the countryside today, and propaganda must be strengthened so that both the leadership and the rank and file will pay appropriate attention. I agree wholeheartedly with the kind of meeting you are holding today. It doesn't require a lot of people. Everybody can say as much as he wants. But one meeting is not enough. We should hold several meetings in a row, and get the relevant comrades to conduct penetrating studies and discussions on several major problems in the reality of agriculture and the countryside.

**Duan Yingbi, researcher at the Rural Economy Research Center of the Ministry of Agriculture:**  
**"Reform: The Only Way for Agriculture To Get Out of Difficulty"**

In recent years agriculture has encountered several new situations, and many new problems have appeared in the countryside. The party Central Committee and the State Council are very concerned about agricultural and rural work and have implemented a series of policy measures to support agricultural production and protect the interests of farmers. At the end of 1993, General Secretary Jiang Zemin called a Six-Province Rural Work Forum in

Wuhan, and Premier Li Peng called a National Rural Work TV and Telephone Conference in Beijing. These can be seen as a turning point in the rural situation. The problem of "IOU's" being used to purchase farm products and of the farmers' burdens being too heavy, which were common at the time, have pretty much been solved. Later on, by strengthening macroeconomic regulation and control, the outflow of rural capital and the occupation of large stretches of land have been halted. Last October, the central authorities called a rural work conference and came up with various policy measures for accelerating the development of the rural economy. In March this year, a central rural work conference was again called, which made concrete arrangements for agriculture and rural work this year. The level of these two meetings was very high. The number one leaders of local party committees and provincial governors participated, and the general secretary and the premier gave long speeches. All these have played a very positive role in the development of agriculture and the rural economy. Although currently there are still many difficulties and problems in agriculture and rural work, we can imagine that, had it not been for the strong emphasis on the part of the party Central Committee and the State Council, rural problems certainly would be much more serious than they are now.

#### **What Policies Did the Central Authorities Give to the Farmers?**

After more than four months of preparation, the central rural work conference came up with 12-point policy measures in light of the major problems existing in the countryside. In terms of the operating system, it stipulated that, when the current term of contracts for cultivated land expire, they should be extended for another 30 years without changing the terms, and that compensated transfer of land according to the law should be allowed. In terms of the circulation system, it stipulated a rise in the purchase price of grain and cotton, the establishment of grain risk funds and a state reserve system, and that the "sale on credit" problem in the grain business should be solved within a fixed period. In terms of agricultural input, it outlined adjustments in the three structures and rises in the three proportions, i.e., the proportion of agricultural investment in the state capital construction investment, the proportion of agricultural aid fund in the state financial budget, and the proportion of agricultural credit and loans in the state credit and loans. In order to support the economic development of the major grain and cotton producing areas, it decided to designate 500 major commodity grain producing counties and 150 cotton producing counties across the country, and said that the state would make arrangements for 6.5 billion yuan in special loans in a concentrated effort to help these counties. In order to guide agriculture in the direction of high yields, excellent quality, and high efficiency, it decided to allocate 1 billion yuan in special loans for the establishment of a group of agricultural demonstration zones in various places. Targeting the phenomenon of the random occupation of cultivated land, it stipulated the establishment of a basic farmland protection system and the delineation of basic farmland protection zones. Apart from this, in terms of

science and technology, education, and the work of assisting the poor by tackling development projects, many concrete measures were also stipulated. Putting them together, the increase in special agricultural loans comes to 22.5 billion yuan per year.

All these measures are specific and feasible. They were put forward on the basis of a large amount of investigation and study and after many meetings were called by the leading comrades of the party Central Committee and the State Council in order to coordinate with the leaders of the relevant departments. Now the problem is that some policy measures have not been implemented, and, naturally, the effect of these policies cannot be brought into play. That policy measures cannot be implemented is indeed a major problem in agricultural and rural work.

#### Where Is the Obstruction?

If one asks why some policies of the central authorities are not being carried out, this cannot be explained in a few sentences. It is caused by many reasons, among which three are worth noting.

First, the macro environment of agriculture. For a long period, we used agriculture to protect industry and used the countryside to protect the cities. The countryside had to shoulder the task of accumulating funds for the nation's industrialization. This situation has not yet been turned around and probably will not be completely turned around for some time to come. On the one hand, we want to maintain a relatively high speed for national economic development; on the other, we want to make a transition towards a socialist market economic system. Under these circumstances, it is difficult not to encounter the pressure of inflation and is difficult not to harm the vested interests of some people, because reform itself is an adjustment of interest relations. However, since the interests of the city are inflexible and untouchable, a fair proportion of the risks will have to be born by the countryside. Of course, none of us want to have it this way. We all wish to give agriculture a better environment, such as rationalizing the prices of farm products and increasing inputs for agriculture. But this is truly difficult to do. I think the so-called "failure to implement policy measures" is related to this macro environment.

Second, the situation of leadership at the county and township levels. These two levels are crucial for agricultural and rural work, because various policy measures have to be implemented through them. Currently many counties and townships are racking their brains over their inability to pay salaries; some county offices have kept a few people to man the phones and have sent the rest out to make money. Under such a situation, how can agriculture and rural work be strengthened? The work at the township level is indeed difficult to do. They cannot even accomplish the imperative tasks pressed upon them by their superiors; when do they have time for rural work? Of course, the situation is not the same everywhere, but at least this is not an isolated phenomenon. If this situation is not changed, it will be very difficult for agriculture to develop.

Third, the situation in the rural work organs. On the one hand, the organization is incomplete because there is not a unified organization to grasp the work. On the other hand, there is the problem of spirit. During the 1980's, rural reform was heated. In the rural work system the leadership and the rank and file were all very enthusiastic. They would go deep down into reality, conduct investigation and study, and delve into problems. That spirit cannot be compared to what we are seeing today. Now, very few people actually go down to the townships, villages, or households to investigate, and very few investigation reports contain examples and analysis. On the contrary, there are many general articles. I think this is also one reason why policies "cannot be implemented!"

#### Let the Countryside Heat Up

To solve the current problems in the countryside, in the final analysis, we should continue to deepen rural reform, implement the spirit of the Third Plenary Session of the 14th CPC Central Committee, and advance toward the goal of a socialist market economic system.

By now, rural reform is increasingly interwoven with urban reform. Many reform measures can no longer be independently implemented in the countryside but must be coordinated between the cities and the countryside. However, this on no account means that there is no room for rural reform. On the contrary, there are still many things to do.

For example, in terms of the operating system, we can realize the optimal allocation of economic resources on the basis of stabilizing the contract responsibility system on a household basis with remuneration linked to output and circulating the various production elements in the countryside by different means. In this respect, there have already been many innovations among the farmers. In some economically developed regions, many forms of moderately large-scale operations of farmland have been developed by using land use rights as shares or transferring land use rights for a price. Farmers in some economically underdeveloped regions have gone to contract fields in economically developed regions. Recently, in some places in the northwest, the development of noncultivated resources has been accelerated through the auction of the use rights of uncultivated mountains, hills, wasteland, and shoals. These innovations should be seriously summarized so as to study their applicability and conditions and gradually promote them.

For example, in terms of the circulation system, we can do some pioneering in developing market intermediary organizations. Currently, the main reason why we do not dare lift price controls over cotton and part of the grain is the fear that, once they are liberalized, there will be chaos and all kinds of vendors will go and "loot" the countryside and disrupt the market and the prices. Will we then be able to develop farmers marketing cooperatives in the countryside? Take grain as an example. I think we can use the grass-roots grain management offices as a basis to establish grain marketing cooperatives. Each household can hand over its grain to the cooperative, which will sell the grain

directly in the wholesale markets. After the deduction of costs and accumulation, the profit can then be returned to the farmers according to a certain percentage. Cotton can also have cotton cooperatives, with the processing stations as a basis. This way one can both reduce intermediate links, save on transaction costs, increase farmer income, and avoid the situation of the market becoming chaotic once it has been liberalized.

As for the questions of adjusting the economic structure, developing township and town enterprises, building small towns, and transferring surplus rural labor, still more problems must be studied and still more work has to be done. In a word, we should not think that there is nothing more to do in rural reform. I hope LIAOWANG weekly will use this format to publish more articles on deepening rural reform and, as before, build up a momentum for rural reform.

#### **'Persistent Drought' Threatens Harvest in North China**

HK0306085794 Beijing CHINA DAILY in English 3 Jun 94 p 3

[By Chao Liang: "Persistent Drought Threatens Harvest"]

[Text] A widespread summer drought will likely affect this summer's harvest of winter wheat in the North and seriously affect other crops in the South.

There have been only 10 millimeters of precipitation since mid-May, or 60 to 90 percent less than the average rainfall in North China, officials for the State Anti-Drought Office (SADO) said yesterday.

Rainfall in the South has been 50 to 60 percent less than the previous years in many parts of Sichuan, Yunnan and Guizhou provinces and some coastal areas of Guangdong Province and the Guangxi Zhuang Autonomous Region.

Sichuan Province is hit by its worst drought in 25 years, affecting 115 counties with a population of more than 18.8 million.

In most parts of China, the mercury has been rising higher and faster than in previous years, according to meteorologists.

As a result, many fields have been parched by the windy and hot days that have persisted since late April and early May, the SADO's officials said.

"The long spell of dry weather has already become a major threat to this year's summer harvest in the North because the following week is a critical period for the growth of winter wheat in the north farming areas," they warned.

North China is one of the country's most important areas for growing winter wheat.

According to the office's latest statistics, the affected farmland has reached nearly 8 million hectares including more than 5.8 million hectares of summer crops and over 2 million hectares of other fields.

At least 5.7 million people and more than 5.1 million heads of livestock are finding it difficult to obtain enough drinking water.

The hardest-hit areas of North China include Beijing and Tianjin cities, and most parts of Hebei, Shanxi, Shaanxi and Gansu provinces, as well as eastern Shandong Province.

In Shandong, parts of the Yellow River have repeatedly dried up, making it impossible for farmers to irrigate a large number of crops and cotton.

#### **State Council Departments 'Ready' To Combat Floods**

OW0206162494 Beijing XINHUA in English 1457 GMT 2 Jun 94

[Text] Beijing, June 2 (XINHUA)—Central government departments under the Chinese State Council, the country's highest governing body, have gotten everything ready to combat possible floods from the south to the north between June and late August.

Those involved in preparations are the Chinese ministries in charge of supply and transportation of flood control equipment and supplies, such as the ministries of railways, the coal industry, electric power and posts and telecommunications.

The Ministry of Railways has already completed its annual inspection in the south to remove hidden perils. Major Chinese oilfields have allocated special funds of up to 70 million yuan this year for flood control use.

To improve accuracy in weather forecasting, the meteorological department has decided to form a combined service group to provide timely and accurate analysis of weather conditions in areas which are possible targets of heavy flood.

#### **State Council Issues Circular on Forestry Protection**

HK0306084694 Beijing CHINA DAILY in English 3 Jun 94 p 1

[By Wang Yonghong: "Government Urges Better Protection of Forests"]

[Text] Excess logging in recent years prompted the central government to urge all departments and local governments to ban misuse of the nation's forests.

"The annual quota for allowable tree-felling must be strictly observed and all activities involving logging, transporting and processing of wood must be conducted under licences," the government announced.

China's boom in construction and development has led to a worrisome imbalance between logging and new growth in the nation's forests, the statement warned. The supply of mature timber is almost exhausted, it was noted.

Legal and administrative units of the government may not engage in such activities, the government said.



Some inspections will be launched later this year to help implement the Forest Law and relevant regulations, according to the circular issued by the State Council, the country's highest governing body.

All violations of the Forest Law and regulations, such as clear-cutting forests, illegally occupying woodlands and indiscriminate hunting of wildlife, will be severely punished, it said.

Violations rose 16 percent last year, compared with 1992, said an official from the Ministry of Forestry.

Large profits from trading in timber—in short supply on the market—attracted more people and even government departments to engage in the business, noted the official, who declined to be identified.

Some culprits, often armed with weapons, had attacked forest keepers and looted timber from tree farms.

Last year, 31 forest keepers and officials working at timber checkpoints were killed, and another 1,200 were wounded, according to the official.

Booming construction and industrial development zones also consumed large amounts of woodland.

Some local governments, ignoring the Forest Law and relevant regulations, occupied forest-land for other use without approval from authorities or sold woodland at very low prices in order to attract outside investment for industrial development.

As a result, some 450,000 hectares of woodland was lost annually for various kinds of development programme or construction, said the official.

In a bid to curb such unchecked tree-felling and to keep a balance between timber growth and consumption, the central government has since 1987 required licenses and implemented quotas for logging.

Despite such measures, the quota was exceeded every year, the official noted.

Although China has increased its forest coverage to current 13.9 percent from 12.9 percent of national territory five years ago, its mature timber is nearly exhausted, with only about 1.96 billion cubic metres left.

### East Region

#### Four Reported Dead After Anhui Prison Riot

HK0306075894 Hong Kong CHENG MING in Chinese  
No 200, 1 Jun 94 p 19

["Reference News" by Kuan Chung (7070 6988): "Disturbance Takes Place in Hefei Prison"]

[Text] At 2100 on 1 May, more than 200 convicts in two blocks of Hefei Prison collectively refused to sleep in protest against the prison authorities. According to prison rules, Sundays and national holidays should be non-working days. This year, International Labor Day, that is, 1 May, happened to be on a Sunday. The following Monday should thus have been a compensation day for the convicts. However, the prison authorities announced that routine work would continue on 2 May. The decision aroused protests from the convicts, who all refused to sleep. The prisoners sang the song "Unity Is Strength" and shouted slogans, such as "guaranteeing off days, opposing forced work" and "we want to meet leaders, oppose suppression." At 2300 that evening, the convicts opened the doors of their blocks and staged a sit-in in the prison yard. Guards fired warning shots and drove the convicts back into their cells. Then, the two sides fought [as published]. It is said that there were more than 30 casualties. One prison guard was killed by rioting convicts with iron bars and three prisoners were shot dead. After the incident, the prison authorities were forced to cancel "normal work" on 2 May.

#### Statistics Show Shanghai 'Largest' Economic Center

OW0306023194 Beijing XINHUA in English 0154  
GMT 3 Jun 94

[Text] Shanghai, June 3 (XINHUA)—This east China metropolis claims to have the most private enterprises of any major city in the country.

According to statistics, Shanghai, China's largest economic center, had over 10,000 private businesses by mid-May this year, up 20 percent over the end of last year.

The amount of registered capital rose by 30 percent from 210,000 yuan last December to 275,000 yuan at present.

The industrial structure of the private economy is developing from processing industry and service trades to high-tech industry and science and technology.

At present, the city has 720 private businesses specializing in scientific development, 3,000 private companies (ten times as many as two years ago) and several dozen Sino-foreign joint-venture and co-operative enterprises.

The city has set up 20 economic zones for private businesses provided with high-class infrastructural facilities and investment conditions.

Last year saw these private business generate an output value totalling 1.115 billion yuan. The sales volume of social commodities amounted to 3.4 billion yuan-worth.

#### Shanghai Seeks To Strengthen Financial Services

OW0306084894 Beijing XINHUA in English 0752  
GMT 3 Jun 94

[Text] Shanghai, June 3 (XINHUA)—Shanghai is striving to regain its position as an international financial center, according to Mao Yingliang, president of the municipal branch of the People's Bank of China.

According to its plan, Shanghai will expand its monetary market (China's largest), securities market, foreign exchange market and insurance market, and open a gold market and a free on board (FOB) market.

"To attain its strategic objective, Shanghai must further reform its economic system and open wider to the outside world while speeding up construction of its infrastructure facilities," Mao said.

"Only by improving and fostering the market economy step by step, can the banking reform be deepened and a standardized international banking center be formed," he noted.

In addition, according to Mao, the modern banking system needs to be coordinated with the modern enterprise system and banking laws brought into line with international conventions.

At present, the Chinese Government is widely soliciting opinions in order to formulate a package of laws covering the operations of the central and commercial banks, securities and the banking market, which are expected to come into effect soon.

Mao disclosed that, to develop the metropolis into an international financial center, Shanghai's banking organizations, under the leadership of the central bank, have decided to compete with overseas banking organizations.

"Shanghai, China's largest economic center, is becoming the country's largest monetary, securities, foreign exchange and insurance market," the president said.

He explained that the monetary market, in terms of inter-bank loans, will make maximum use of short-term floating loans between Shanghai and its nearby provinces.

Mao urged the Shanghai Stock Exchange to further standardize and internationalize its operation so as to become a first-class securities collection and distribution center in the Asian and Pacific region.

The China Foreign Exchange Center, located in Shanghai, is being encouraged to promote the stabilization of the renminbi exchange rate to allow free convertibility.

Mao also called for the expansion of the insurance, gold and FOB markets—which started later than other banking markets—the golden card project and the city clearing and settlement system.

According to Mao, the Shanghai International Financial Center is being developed in three stages; construction of the first stage will be completed in 1995, that of the second in 2000 and that of the third in 2010.

### Shandong Institutions Subject To Social Insurance System

SK0306015394 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 1 Jun 94

[Text] Learned by this reporter from the provincial meeting on social insurance of government organs and institutions, held in Jinan on 1 June, Shandong Province will, beginning this year, carry out the social insurance system among all government organs and institutions. As disclosed by this meeting, the social insurance programs carried out among government organs and institutions include the old-age pension insurance, the unemployment insurance, the workers' injuries and disability insurance, and the child-bearing insurance. At present, the old-age pension insurance and the unemployment insurance will be carried out first. And, these two insurance systems will be carried out among working personnel of all levels of party, government, and mass organizations, all social groups, all state-owned institutions, and all the central units stationed in Shandong as well as among the non-army working personnel of the units that are affiliated with the army and stationed in Shandong.

According to stipulations, the raising of the fund for the old-age pension insurance should be borne by the state, units, and individuals in common. Of this fund, the portion borne by individuals should be raised by collecting 2 percent of individuals' month salaries and the amount should be gradually increased along with their wage increases.

The meeting pointed out: Establishing and perfecting the social insurance system among government organs and institutions is a reform with grave difficulties. All cities and prefectures as well as all units should be meticulous in organizing this work and should lose no time to make this work a success in line with the unified disposition of the provincial party committee and the provincial government with a view to promoting the development of the socialist market economy and promoting the stability of society.

### Central-South Region

#### Guangdong Urges Vigilance Against 'Hostile Forces'

HK0206145494 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 28 May 94

[Text] At the national security work meeting held yesterday, Gao Siren, secretary of the Guangzhou City CPC Committee, urged party and government leaders of all units to genuinely discharge their duties to safeguard the city's social and political stability. In his speech, Gao Siren said: The current outstanding problem endangering the city's social and political stability is that the covert struggle is extremely acute, and the activities of subversion, infiltration, and division carried out by espionage agencies from outside the borders against our country have never ceased for a moment. The joining hands of the hostile forces at home and abroad has posed a threat to Guangzhou's stability.

He pointed out: It is necessary to further mobilize to set up a mass national security precaution structure, attach importance to carrying out education in covert struggle, enhance the alertness of the broad masses of people to the enemy's presence as well as their sense of secrecy and of national security so that everybody will foster the idea that it is everybody's duty to safeguard national security and so that they will dare and be good at using the law to struggle against all actions endangering national security.

Guangzhou Mayor Li Ziliu also spoke at the meeting. He pointed out: Some people have slackened their vigilance. They only see prospects for economic prosperity and development and are not alert to the enemy's presence and the sense of secrecy. They leak out economic, scientific and technological, and commercial secrets which should have been safeguarded. Some people are afraid of strengthening secrecy for fear of scaring foreign businessmen away. They are quite wrong. Leaders at all levels should frequently stress the issue of secrecy and should always keep it in mind.

#### Guangdong Reportedly Bans Journalists Until After Jun 4

HK0306053294 Hong Kong EASTERN EXPRESS in English 3 Jun 94 p 9

[By N C Renoir]

[Text] Guangdong authorities have banned visas for foreign journalists until after tomorrow's fifth anniversary of the Tiananmen massacre.

The propaganda section of the Guangdong party committee told organisers of a Guangzhou trade show which had invited foreign reporters to take part in its opening ceremony on June 4 that reporters would not be allowed to come until June 6.

"They say this is too sensitive a time," Chen Guanghui of the Guangdong environmental protection bureau, the organiser of Environment China '94, said.

Confirming the ban on foreign journalists, an official at the Hong Kong branch of the New China News Agency (Xinhua) said the organisers should have checked with the Guangdong party committee before issuing invitations for the ceremony.

"They should have been more aware of the situation," the official said.

The Guangdong environmentalists appear to have been caught unaware by the sensitive anniversary. The opening ceremony—scheduled for the morning of June 4—has suffered from withdrawals from at least two foreign government officials so far, Chen confirmed.

The Environment Minister of the Canadian province of Alberta, Brian Evans, and the Australian consul-general in Guangzhou, Maurine Chong, have both bailed out of the opening ceremony after previously agreeing to attend.

Spokesmen for the two officials said they had other matters to handle which came up unexpectedly.



Chen said that numerous senior officials from Beijing, including the director of the National Environmental Protection Bureau, Xie Zhenhua, have also cancelled plans to attend the exhibition's opening ceremony.

Beijing is known to have placed a ban on travel by senior officials during the period so they will be at their posts to deal with any outbreaks of protests.

Travellers worldwide have reported difficulties recently in getting individual travel visas, apparently part of China's attempts to avoid an influx of journalists and overseas-based dissidents into the country during the sensitive period.

### **Guangdong Commodities Reserve System Introduced**

OW0206142094 Beijing XINHUA in English 1354  
GMT 2 Jun 94

[Text] Guangzhou, June 2 (XINHUA)—Guangzhou has established a commodities reserve system and funds for covering price-related risks in a bid to maintain the local market stability, according to a city government official.

Since November 1993, Guangzhou, the capital of Guangdong Province, a rising economic giant in south China, has used the reserve system for major commodities to regulate the market, he said.

Now the system covers a variety of commodities, including pork, food grain, cooking oil, sugar, frozen fish, eggs, chemical fertilizers, pesticides and farming-related plastic sheets.

The city government has spent about 100 million yuan keeping these commodities in stock, the official said.

The city government has also raised nearly 120 million yuan for the establishment of regulatory funds covering risks related to grain prices, he added.

It has decided to spend 20 million yuan this year to subsidize vegetable production, he revealed.

"The reserves of staple commodities have proved effective in stabilizing the market and curbing excessive rises in prices," he said.

For example, last year state-owned grain stores in Guangzhou succeeded in bringing grain prices down by selling grain in large quantities.

In mid-February this year, the city government cut wholesale pork prices twice and increased pork supplies, thus pushing pork prices down.

Guangzhou's retail sales amounted to 11.3 billion yuan in the first four months of 1994, up nearly 26 percent over the same period in 1993, the official said.

Its price index rose about 18 percent during that period, lower than the nation's average, he added.

### **Guangdong Strengthens Environmental Protection**

HK0206114194 Beijing ZHONGGUO XINWEN SHE  
in English 1018 GMT 2 Jun 94

[Text] Guangzhou, June 2 (CNS)—According to the Bulletin of Environmental Protection, environmental pollution in Guangzhou is by and large under control. However, measures curbing pollution in the city are still inadequate, in view of the growth of pollution.

Though industrial pollution is initially under control, environmental pollution is still rather serious. For instance, organic contamination in the water of the Guangzhou part of the Pearl River is getting worse. Disposal of urban refuse is still a headache. Harmful industrial rubbish has not yet been all collected together to be disposed of. Growth of the number of motor vehicles is too fast, and their exhaust gas pollutes the air. Noise pollution along the sides of main traffic lines remains high. Environmental administration over the tertiary industry is lagging behind its development. Urban residents are seriously suffering from waste water, waste gas and noise caused by the food industry there. Some enterprises are still shifting their responsibility of curbing their own pollution to society, aiming at making profit at the expense of people there.

According to an official from the Guangzhou Municipal Environmental Protection Committee, Guangzhou would be built into a metropolis of international standard in five years time, and 1994 is a crucial year for the realization of the goal. Protection of the environment must keep up with the development of economy. The plan for the protection of environment must be worked out in conformity with the total urban construction plan and the plan of municipal economic development. Departments of Urban construction, municipal administration, environmental protection and public utilities must take effective measures to speed up construction of projects for disposal of waste water and urban refuse, strengthen administration over and harness motor vehicles' exhaust gas, strengthen supervision over environment of food industries and control motor vehicles' noise pollution so as to improve environment for people's living. At the same time, Guangzhou municipality will further improve its laws and regulations on environment, endeavor to make publicity of the importance of environmental protection so as to enhance people's understanding of environmental protection.

### **Henan Secretary Meets NPC Standing Committee Vice Chairman**

HK0206132794 Zhengzhou Henan People's Radio  
Network in Mandarin 1030 GMT 28 May 94

[Excerpts] Professor Fei Xiaotong, vice chairman of the Standing Committee of the National People's Congress and [words indistinct] concluded his visit to our province yesterday. He arrived in our province on 14 May. He conducted conscientious and thoroughgoing investigations in localities such as Xinyang, Nanyang, and Zhoukou on such issues as rural economic development, its status in the

country's economy, the current situation of the rural economy, and how to increase the peasants' income as soon as possible.

Yesterday afternoon, despite many claims on his time, Li Changchun, secretary of the provincial party committee, met with Professor Fei Xiaotong and exchanged views with the latter on Henan's economic development. Professor Fei said: Henan enjoys exceptional advantages in the coal, water, electricity, and transport sectors. It has abundant labor and [words indistinct]. If the creativity, civilization, and enthusiasm of the masses of people are brought into play and labor and natural resources are fully employed, the province's potential will be turned into economic strength very quickly. [passage omitted]

We must start with whatever things can benefit the peasants at present and try every possible means to increase their income. With their income increased, the peasants will have greater purchasing power. Hence, there will be a big market. The professor maintained: The 1980's were a period of rural industrialization and the 1990's are a period of rural urbanization. [passage omitted]

Secretary Li Changchun thanked the revered Comrade Fei for his concern for Henan's development and invited the latter to continue [words indistinct] to help Henan develop its economy. The professor received the invitation elatedly and agreed with the secretary on several tasks of cooperation in the short term.

#### Hunan Compiles Laws on Social Stability

HK0306011894 Beijing HUNAN RIBAO in Chinese 20 Apr 94 p 3

["Fifty Laws and Rules and Regulations for Maintaining Social Stability—Compiled by Hunan Provincial Justice Department and the Hunan Provincial Leading Group in Charge of Universal Legal Education"]

#### [Text] Preamble

Our country is being offered a rare historic reform and development opportunity at the moment. In order to continually forge ahead from one victory to another in the new situation, we must conscientiously carry out all types of work and strive to ensure coordination and complementarity between reform, development, and stability with a view to bringing about a new spring across the entire Divine Land [China]. While the whole country is now studying and implementing the spirit of the Second Session of the Eighth National People's Congress and the spirit of the Second Session of the Eighth Chinese People's Political Consultative Conference National Committee, we must strive to comprehend the dialectical relations between reform, development, and stability; more clearly understand that social stability is of paramount importance to deep-going reforms, expanded opening up, and faster growth; and more consciously safeguard social stability. In order to make it more convenient for people to study the relevant social stability maintenance laws and

rules and regulations, we have now compiled the following list of laws and rules and regulations for reference and selective application.

#### 1. Citizens and Organizations Must Abide by the Constitution and Conduct Activities Within the Framework of the Constitution and the Law

The people of all nationalities, all state organs, the Armed Forces, all political parties and public organizations, as well as all enterprises and undertakings in the country shall take the Constitution as the basic norm of conduct and be duty-bound to uphold the dignity of and ensure implementation of the Constitution.—*Preamble of "The PRC Constitution"*

All state organs, the Armed Forces, all political parties and public organizations, as well as all enterprises and undertakings shall abide by the Constitution and the law. All acts in violation of the Constitution and the law shall be investigated.

No organization or individual may enjoy the privilege of being above the Constitution and the law.—*Article 5 of "The PRC Constitution"*

PRC citizens shall abide by the Constitution and the law; keep state secrets; protect public property; observe labor discipline and public order; and respect social ethics.—*Article 53 of "The PRC Constitution"*

Discrimination against and oppression of any nationality are prohibited; any acts that undermine the unity of or instigate secession of nationalities are prohibited.—*Article 4 of "The PRC Constitution"*

PRC citizens enjoy freedom of religious belief.

No state organ, public organization, or individual may compel citizens to believe in, or not to believe in, any religion; nor may they discriminate against citizens who believe in, or do not believe in, any religion.

The state protects normal religious activities. No one may make use of religion to engage in activities that disrupt public order, impair the health of citizens, or interfere with the state education system.

Religious bodies and religious affairs are not subject to any foreign domination.—*Article 36 of "The PRC Constitution"*

Public organizations formed on the PRC territory, including associations, institutes, federations, research societies, funds, coordination committees, councils, chambers of commerce, and so on, shall apply for official registration in accordance with the relevant regulations. Only after such applications for official registration are approved are these organizations allowed to start activities.—*Article 2 of "Public Organizations Registration and Management Regulations"*

Public organizations shall abide by the Constitution, the law, and rules and regulations; safeguard the unity of the country and unity of all nationalities; and are not allowed to infringe upon the interests of the state, society, or

collectives or the legitimate freedoms and interests of other citizens.—Article 3 of "Public Organizations Registration and Management Regulations"

## **2. It Is Necessary To Safeguard State Security, Honor, and Interests**

PRC citizens are duty-bound to safeguard state security, honor, and interests. All acts that undermine state security, honor, and interests are prohibited.

All state organs, the Armed Forces, all political parties and public organizations, as well as all enterprises and undertakings are duty-bound to safeguard state security.

The state security organs shall rely on the people's support in their work and should mobilize and organize people to prevent and stop acts that undermine state security.—Article 3 of "The PRC State Security Law"

Crimes are acts punishable by law, including those that encroach upon state sovereignty and territorial integrity; undermine the regime of the dictatorship of the proletariat; jeopardize socialist revolution and construction; disrupt public order; infringe upon property owned by the whole people or by collectives of working people and upon private property lawfully owned by citizens; encroach upon personal, democratic, and other types of rights and interests of citizens; or do harm to society at large.—Article 10 of "The PRC Criminal Law"

All acts aimed at overthrowing the regime of the dictatorship of the proletariat and the socialist system or undermining the PRC shall be taken as counterrevolutionary crimes.—Article 90 of "The PRC Criminal Law"

Acts of any organization or individual of undermining the PRC state security shall be investigated in accordance with the law. ...acts undermining state security refers to overseas institutions, organizations, or individuals conducting activities aimed at undermining the PRC state security or overseas institutions, organizations, or individuals ordering or subsidizing others to engage in activities undermining the PRC state security; and also refers to domestic organizations or individuals collaborating with overseas institutions, organizations, or individuals in activities aimed at undermining the PRC state security, including the following:

1. Plotting to subvert the government; split the country; or overthrow the socialist system;
2. Joining espionage organizations or accepting assignments from espionage organizations or their agents;
3. Stealing, gathering, purchasing, or unlawfully providing state secrets;
4. Instigating, seducing, or bribing state employees to turn traitor;
5. Engaging in sabotage activities harmful to state security.—Article 4 of "The PRC State Security Law"

Organs, associations, and organizations must carry out education on safeguarding state security among staff members and mobilize and organize staff members to prevent and stop acts undermining state security.—Article 15 of "The PRC State Security Law"

After discovering acts undermining state security, citizens shall directly report or report through work units such acts to state security organs or public security organs.—Article 17 of "The PRC State Security Law"

PRC citizens are prohibited from engaging in acts that undermine state security, honor, or interests while abroad.—Article 4 of "The PRC Exit and Entry Management Regulations Concerning PRC Citizens"

The PRC protects the legitimate rights and interests of foreigners on Chinese territory. While on Chinese territory, foreigners must abide by the PRC law.—Article 32 of "The PRC Constitution"

While on Chinese territory, foreigners shall abide by Chinese law and be prohibited from harming China's state security; impairing social and public interests; and disrupting social and public order.—Article 5 of "The PRC Exit and Entry Management Regulations Concerning Foreigners"

All foreign enterprises and other foreign economic organizations in China, as well as Sino-foreign joint venture enterprises located in China, shall abide by the PRC law.—Article 18 of "The PRC Constitution"

All state organs, the Armed Forces, all political parties, public organizations, enterprises, and undertakings, as well as citizens are duty-bound to guard state secrets.—Article 3 of "The PRC State Secrecy Law"

## **3. It Is Necessary for Citizens To Correctly Fulfill Rights and Obligations. It Is Necessary To Prohibit Anyone from Disrupting Public Order in Any Way**

All PRC citizens are equal before the law.

Every citizen enjoys rights and at the same time shall perform duties prescribed by the Constitution and the law.—Article 33 of "The PRC Constitution"

The socialist system is the basic PRC system. Sabotage of the socialist system by any organization or individual is prohibited.—Article 1 of "The PRC Constitution"

PRC citizens are duty-bound to safeguard the unity of the country and the unity of all nationalities.—Article 52 of "The PRC Constitution"

No one is allowed to disrupt public order in any way.—Article 158 of "The PRC Criminal Law"

Socialist public property is sacred and inviolable.

The state protects socialist public property. Appropriation or damaging of state or collective property by any organization or individual by whatever means is prohibited.—Article 12 of "The PRC Constitution"



The state prohibits in accordance with the law any organization or individual from disrupting public and economic order.—*Extracts from Article 7 of "Amendment to the PRC Constitution" (29 March, 1993)*

The personal, democratic, and other rights and interests of citizens are protected from unlawful infringement by any individual or organ. Those found infringing upon such rights and interests to a serious extent and in violation of the law shall be prosecuted.—*Article 131 of "The PRC Criminal Law"*

The legitimate property of citizens is protected by the law. No organization or individual is allowed to seize, snatch, sabotage, or illegally seal up, detain, freeze, or confiscate such property.—*Article 75 of "The PRC Law of Citizens"*

The freedom of the person of PRC citizens is inviolable.

Unlawful deprivation or restriction of citizens' freedom of the person by detention or other means is prohibited; and unlawful searching of the person of citizens is prohibited.—*Article 37 of "The PRC Constitution"*

The homes of PRC citizens are inviolable. Unlawful searching of, or intrusion into, a citizen's home is prohibited.—*Article 39 of "The PRC Constitution"*

The personal dignity of PRC citizens is inviolable. Insults, libel, false charges, or frame-ups directed against citizens by any means are prohibited.—*Article 38 of "The PRC Constitution"*

Assemblies, processions, and demonstrations shall be held after relevant applications are approved in accordance with this law by organs in charge.—*Article 7 of "The PRC Law of Assembly, Procession, and Demonstration"*

While exercising such rights as assembly, procession, and demonstration, citizens shall abide by the Constitution and the law; and are not allowed to oppose basic principles prescribed by the Constitution or encroach upon legitimate freedoms, rights, and interests of the state, society, collectives, or other citizens.—*Article 4 of "The PRC Law of Assembly, Procession, and Demonstration"*

Citizens are prohibited from initiating, organizing, or taking part in assemblies, processions, and demonstrations in cities other than their own hometowns.—*Article 15 of "The PRC Law of Assembly, Procession, and Demonstration"*

Assemblies, processions, and demonstrations shall be held in a peaceful manner with participants prohibited from carrying weapons, such as controlled knives and explosives, and from resorting to violence or instigating violence.—*Article 5 of "The PRC Law of Assembly, Procession, and Demonstration"*

State functionaries are prohibited from organizing or taking part in assemblies, processions, and demonstrations that contravene relevant laws and rules and regulations governing their responsibilities and obligations.—*Article 16 of "The PRC Law of Assembly, Procession, and Demonstration"*

#### 4. It Is Necessary To Resolutely Crack down on All Types of Criminal Activities Undermining State Security and Social Stability

... It is necessary to combat with the help of the law all types of counterrevolutionary and criminal activities in order to safeguard the regime of the dictatorship of the proletariat; to protect socialist property owned by the whole people or by collectives of working people; to protect private property lawfully owned by citizens; to protect personal, democratic, as well as other rights and interests of citizens; to maintain public order, production order, work order, teaching order, scientific research order, and the livelihood order of the masses of people; and to ensure the smooth progress of socialist revolution and construction.—*Article 2 of "The PRC Criminal Law"*

It is necessary to severely punish criminals who seriously disrupt public order so as to safeguard public order; protect people's lives and property; and ensure the smooth progress of socialist construction.—*"The PRC National People's Congress Standing Committee Decision on Severely Punishing Criminals Who Seriously Disrupt Public Order"*

The following types of criminals who seriously disrupt public order shall be given the longest prison sentences or even death sentences in accordance with the Criminal Law:

1. Leaders of criminal gangs; criminals engaging in hooliganism and using lethal weapons, and committing serious crimes; and criminals engaging in particularly serious hooliganism;
2. Criminals deliberately causing physical injury to others, resulting in serious injury or death, or physically assaulting and injuring state functionaries or citizens who report, expose, or capture criminals or stop criminal behavior;
3. Leaders of criminal gangs who sell human beings or criminals who sell human beings, committing particularly serious crimes;
4. Criminals who illegally manufacture, purchase, sell, transport, steal, or snatch guns, ammunition, or explosives, committing serious crimes or causing grave consequences;
5. Criminals who disrupt public order by organizing secret reactionary societies or conducting counterrevolutionary activities by dint of feudal superstition;
6. Criminals who seduce, take in, or force women into prostitution, committing particularly serious crimes.—*Article 1 of "The PRC National People's Congress Standing Committee Decision on Severely Punishing Criminals Who Seriously Disrupt Social Order"*

The state maintains public order; suppresses treasonable and other counterrevolutionary activities; penalizes acts endangering public security and disrupting socialist economy as well as other criminal activities; and punishes and reforms criminals.—*Article 28 of "The PRC Constitution"*

Individuals are prohibited from manufacturing explosive devices.—Article 9 of *"The PRC Regulations for Controlling Explosives for Civil Use"*

No individual or organization is allowed unlawful possession or use of professional espionage equipment, such as eavesdropping, photographic, or other devices.—Article 21 of *"The PRC State Security Law"*

The act of inciting the masses to engage in "beating, smashing, and looting" activities. People engaging in "beating, smashing, and looting" activities, or injuring or killing people, shall be charged with the crime of deliberately causing physical injury to others or the crime of murder and shall be punished accordingly.—Extracts from Article 137 of *"The PRC Criminal Law"*

Overseas institutions, organizations, or individuals engaging in, ordering or assisting others to engage in, or collaborating with domestic organizations or individuals in activities that undermine the PRC state security, thereby committing a crime, shall be investigated and prosecuted in accordance with the law.—Article 23 of *"The PRC State Security Law"*

People who steal, pry regarding, or purchase for as well as illegally provide state secrets to overseas institutions, organizations or individuals shall be investigated and prosecuted in accordance with the law.—Article 32 of *"The PRC State Security Law"*

No unit or individual is allowed to manufacture, repair, or assemble firearms without proper authorization, except for factories designated by the state for this purpose.—Article 9 of *"The PRC Firearms Control Measures"*

No unit or individual is allowed to purchase or sell firearms or ammunition, except for units designated by the state or units approved by departments in charge.—Article 10 of *"The PRC Firearms Control Measures"*

Obscene goods and materials poison people's minds, invite crime, and cause great harm. In order to protect both bodies and minds of the masses of the people, especially juveniles; safeguard public order; and ensure the smooth progress of socialist modernization construction, it is necessary to strictly ban all types of obscene goods and materials.—Extracts of *"State Council Regulations on Banning Obscene Goods and Materials"*

Border disputes resulting from unclear lines of demarcation between administrative districts shall be settled by local people's governments involved in light of actual local conditions, such as local people's production and livelihood conditions; by seeking truth from facts in the spirit of mutual understanding, accommodation, and consultation; and in a manner that is conducive to the unity of all nationalities, unified state management, as well as the protection, exploitation, and utilization of natural resources.—Article 3 of *"Regulations for Settling Border Disputes Between Administrative Districts"*

Persons in charge of local people's governments involved shall settle border disputes in a timely fashion by adopting

a responsible attitude toward state and people and taking overall interests into account; and are not allowed to shift responsibility onto others or delay such settlement.—Article 5 of *"Regulations for Settling Border Disputes Between Administrative Districts"*

After border disputes break out, local people's governments involved shall take effective measures to prevent such disputes from escalating. The parties involved in such disputes are not allowed to move residents into, set up organs of power in, or destroy natural resources in disputed areas. No one is allowed to instigate the masses to make trouble; injure others with makeshift weapons; or seize or destroy property of the state, collectives, or individuals. After disputes break out between people of two adjacent areas, local people's governments involved shall immediately dispatch personnel to conduct on-site investigations into, settle, and report such cases to respective people's governments at a higher level.—Article 10 of *"Regulations for Settling Border Disputes Between Administrative Districts"*

Those involved in any of the following crimes for counter-revolutionary purposes shall be imprisoned, held in custody, put under public surveillance, or deprived of political rights for less than five years. However, ringleaders or those found guilty of the most heinous crimes shall be sentenced to more than five years' imprisonment:

1. Instigating the masses to resist or sabotage the enforcement of state laws and rules and regulations;
2. Carrying out propaganda and advocating overthrowing the regime of the dictatorship of the proletariat and the socialist system by using counterrevolutionary posters, leaflets, and other methods.—Article 102 of *"The PRC Criminal Law"*

## Southwest Region

### Sichuan's Chongqing Establishes Commodity Reserve System

HK0306080094 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0959 GMT 27 May 94

[Text] Chongqing, 27 May (ZHONGGUO TONGXUN SHE)—The Chongqing City Government recently allocated special funds for the establishment of a major commodities reserve grain and nonstaple food risk fund system in a bid to stabilize the market supply of vegetables, grain, and edible oils, which are closely related to the livelihood of residents.

It is thought that major commodities to be reserved throughout the year will include grain, vegetable oil, pork, sugar, chemical fertilizer, insecticides, coal for civilian use, clothing material, and cotton. In case fluctuations in market supply occur in the future, the government will sell reserved commodities to curb price rises.

The Chongqing City government has put aside 10 million yuan as a risk fund for grain and 7 million yuan as a risk fund for nonstaple foods. These funds will be used to make

up for price differences and other costs to curb market prices of grain and edible oils. During slack seasons, major festivals, and at times when market prices fluctuate greatly, the funds will also be used to organize supplies and to make up for price differences and other costs of curbing market prices.

### **Air Force Deployed To Fight Sichuan Drought**

*HK0306053194 Hong Kong EASTERN EXPRESS in English 3 Jun 94 p 8*

[By Bruce Gilley]

[Excerpt] Beijing has deployed the air force to water fields and seed clouds in southeast Sichuan, which is facing its worst drought in memory.

Violent disputes have broken out in the worst-hit counties of Ybin, Neijiang and Zigong as peasants defend their functioning wells against raids from neighbouring villages according to Chen Zihua, the head of Sichuan's disaster relief office. "We immediately sent cadres to deal with the situations," he told Eastern Express.

The first People's Liberation Army A-326 emergency aircraft flew into Chengdu military region airspace yesterday to begin operations, Chen said.

More than 8 million people were short of drinking water as a result of the freak drought, which began in early May. Convoys of fire trucks and liquid cargo carriers began transporting large volumes of drinking water to people in affected areas on Tuesday, he said.

Water pumps and well drilling equipment have been sent to areas inaccessible by vehicle or too far from available water supplies, under an operation mounted by the provincial agricultural producer goods bureau.

There were no reports of deaths and the situation had been ameliorated by the measures taken, Chen said, adding that there were no plans to move people away from affected areas, a measure that Beijing municipal authorities were forced to take in late March after the city had its worst drought in a century.

Sichuan authorities fear that trying to move part of the affected population, which stands at 18.4 million people in 22 counties and cities, could be impracticable and cause further unrest. Chen said the province's main cities of Chengdu and Chongqing were not short of water.

Residents of Chengdu said last night that heavy rain had fallen in the afternoon, and further showers were expected today.

The Sichuan vice-governor Zhang Zhongxin, has called for more help from Beijing, which has so far agreed to provide only 1.5 million renminbi (HK\$1.3m [Hong Kong dollars]) in relief funds.

The provincial and local governments agreed to pool together Rmb120m [renminbi] for their effort in two emergency meetings held on Saturday and Tuesday, Chen said.

"The State Council only became very concerned about our situation after we reported to them on the seriousness of the conditions," he said.

Drought is rare in the affected parts of Sichuan, but rainfall in the Sichuan basin during May was 80 per cent below the average of recent years. Chen said the figure was 20 per cent below the province's last "great drought" in 1969. Scorching temperatures and above-average hours of sunlight have also been blamed.

While the province's massive grain harvest has already been gathered and sold, summer crops such as corn and rice were expected to suffer. "The provincial economy will definitely be affected," Chen said. [passage omitted]

### **Tibet's Namgyai Speaks at CPPCC Closing Ceremony**

*OW0206210494 Lhasa XIZANG RIBAO in Chinese 22 May 94 p 1*

[Speech by Pagbalha Geleg Namgyai, chairman of the CPPCC Committee of the Tibet Autonomous Region, at the closing meeting of the Second session of the Sixth Tibet Regional Committee of the Chinese People's Political Consultative Conference (CPPCC) on 21 May 1994]

[Text] Fellow members, comrades:

The Second Session of the Sixth Tibet Regional CPPCC Committee has successfully completed various tasks according to its agenda through the joint hard work of all members and comrades and will end today.

The current session has examined and adopted the work report made by Vice Chairman Lhamin Soinam Lhunzhub on behalf of the Standing Committee of the Tibet Regional CPPCC Committee. Members of the regional CPPCC committee have attended the second session of the sixth regional people's congress as observers, and heard the government work report by Chairman Gyaincain Norbu and other important reports. Through serious discussions, members of the regional CPPCC committee have further unified their thinking, raised their common understanding, heightened their spirit, and clearly understood various goals. In a highly responsible spirit, members have expressed many suitable opinions on reform, opening up, economic construction, and other important issues related to the vital interests of the broad masses of people. Their suggestions will certainly promote various tasks of this region in a positive manner. This year will be a crucial one for carrying out an all-around reform, achieving breakthroughs, and accelerating the establishment of a socialist market economic structure. In his government work report, Chairman Gyaincain Norbu has clearly explained the guiding principles for promoting the tasks of economic construction and deepening reform. We should see that the accomplishment of those tasks will have a very important bearing on fully implementing the guidelines of the Third Plenary Session of the 14th CPC National Congress and the Fifth Enlarged Plenary Meeting of the Fourth Tibet Autonomous Regional CPC Committee, promoting economic development and social progress in this region and



maintaining political stability. We should also see that the tasks facing us are very arduous and there are still many problems and difficulties on our road of advance.

Fellow members and comrades, the CPPCC is an important organization of our country in promoting multiparty cooperation and political consultation, and shoulders an important mission. The party's overall policy of seizing the opportunity, deepening reform, opening up wider, promoting development, and maintaining stability has fully embodied Comrade Deng Xiaoping's thinking for development and represents the fundamental interests of people of all nationalities in the whole country. The CPPCC organizations at various levels and all CPPCC members must seriously study and firmly implement Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the guidelines of the Third Plenary Session of the 14th CPC National Congress and the fifth Enlarged Plenary Meeting of the Fourth Tibet Autonomous Regional CPC Committee, emancipate their minds, further eliminate the old ideology and concept formed under the system of the planned economy, change their ways of thinking, use a new concept and new way compatible to a socialist market economy to guide our work, and constantly enhance our understanding in promoting reform, development, and stability. In discussing major affairs in the autonomous region, CPPCC members must take the entire national and regional situation into consideration and see the local and actual problems, and also take both long-term fundamental interests and the current measures into consideration. We should promote reform and development and at the same time maintain stability. We should strive to take part in the building of the two civilizations, and study and put forward suggestions and opinions for solving new contradictions and problems emerging in the course of reform. We should use the fruitful work of the CPPCC to unite various mass organizations and people of various nationalities on various fronts. We should give full play to all positive factors, turn negative factors into positive one, and unswervingly support the government's measures to deepen reform.

Fellow members, the realization of national progress and people's prosperity is the common wish of people of various nationalities in this region. We have already set major policies and understand our tasks. Now the key is to implement those policies and tasks. Under the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line and under the leadership of the Tibet Autonomous Regional CPC Committee, we should closely unite around the party Central Committee with Comrade Jiang Zemin at the core; seriously implement the guidelines of the current session; heighten our spirit; work with concerted efforts; struggle hard; and make greater contributions to creating a new situation for promoting reform, development, and stability in this region and to raising our work of taking part in and providing consultative service for government affairs to a new level!

I wish fellow members and all comrades good health and smooth progress in their work.

### **Almost 10,000 Tibetan Youths Have Served in PLA**

*OW0206121294 Beijing XINHUA Domestic Service in Chinese 0405 GMT 31 May 94*

[By RENMIN RIBAO reporter Liu Wei (0491 0251) and XINHUA reporter Tan Daobo (6223 6670 0590)]

[Text] Lhasa, 31 May (XINHUA)—These reporters learned from a forum recently held by the Tibet Autonomous Region to mark the 10th anniversary of the promulgation of the current conscription law that the region has sent nearly 10,000 fine youths to serve in the People Liberation Army [PLA] over the past 10 years. Last winter, Tibet sent a batch of new Tibetan soldiers inland for the first time. These soldiers share the important responsibility with fine young men and women of other nationalities of safeguarding the motherland.

Since the Conscription Law was promulgated, the Government of the Tibet Autonomous Region has successively formulated regulations such as the Detailed Rules for Carrying Out the Conscription Work and the Detailed Rules for Militia Affairs. It has launched extensive campaigns to publicize the Conscription Law across the entire region, thus significantly enhancing people's awareness of national defense. During the conscription period every year, masses of young people from urban and rural areas who are old enough to join the Army rush to enlist. The soldiers sent to the PLA by Tibet over the past 10 years are all well-qualified, and none of them quit. Having joined the Army in different periods, excellent sons and daughters of Tibetan people right now are serving in various PLA units. Tibetan officers ranking from platoon leader to general can be found in the PLA. Moreover, in the past 10 years, governments at all levels in the Tibet Autonomous Region have made arrangements for more than 9,000 retired compulsory servicemen and for more than 460 soldiers who were transferred to civilian work. These demobilized and transferred veterans are playing an important role in promoting various undertakings of local economic construction and national development.

### **North Region**

#### **New Acting Mayor Elected in Hebei Province**

*SK0306045494 Shijiazhuang HEBEI RIBAO in Chinese 26 May 94 p 1*

[Text] Wang Jianzhong [3769 1696 1813] was appointed vice mayor and acting mayor of the Xingtai city people's government at the fifth standing committee meeting of the 10th Xingtai city people's congress held on 24 May.

Wang Jianzhong, 49, is an engineer. He graduated from Hebei Engineering College. Before this, he served as director of the Provincial Metallurgical Industrial Department.

**Tianjin's Labor Markets Playing Larger Role***OW0306083994 Beijing XINHUA in English 0756  
GMT 3 Jun 94*

[Text] Tianjin, June 3 (XINHUA)—The labor markets in north China's port city of Tianjin are playing an increasingly important role in employment and personnel exchange through free choice.

Chinese workers used to be assigned jobs solely through the government labor departments.

But in recent years, with the number of foreign-funded, private and co-operative enterprises increasing, the need for a fluid labor market has been felt keenly. In the meantime, large numbers of surplus workers in state-run enterprises are waiting to be re-employed.

The first Tianjin labor market was set up on November 30, 1992 under the supervision of the municipal labor department.

So far 600,000 workers have applied with the labor markets for new jobs, and 20 percent have been lucky.

Now labor markets have been set up in 18 city districts and suburban counties, catering to 12 professions. Furthermore, over 100 state-run enterprises have also set up their own labor markets.

A computer network links the various labor markets exchanging labor supply and demand information.

The Tianjin Municipal Labor Bureau has also set up a special section to provide a continuous line of service: giving information, connecting demand and supply, exchange personal documents, signing contracts and providing unemployment security.

The labor markets are welcomed by both enterprises and job seekers.

A Sino-Japanese joint-venture electric machinery company was set up April this year in Tianjin, as the biggest Japanese company in Tianjin. Its over 1,000 employees were all recruited through the local labor markets.

Tianjin plans to connect its labor markets with those in other big cities like Beijing and Shanghai through a computer network to enhance labor exchanges.

**Tianjin Reports Successful Anti-Crime Campaign***SK0306030294 Tianjin People's Radio in Mandarin  
GMT 2300 1 Jun 94*

[Text] Tianjin's two-month spring campaign of dealing stern blows to crimes concluded with remarkable results a few days ago. As a result, the criminal activities gravely endangering social order were dealt with seriously, the number of criminal cases dropped by a large margin, the sense of security of the masses was enhanced obviously, and the municipality's social order was subject to sustained stability.

Gao Dezhan, secretary of the municipal party committee, and Zhang Lichang, mayor of the municipality, paid high

attention to this campaign, personally read over the programs concerning the campaign, and gave important directives, affirmed achievements, and set demands on this work for many times. Song Pingshun, standing committee member of the municipal party committee and vice mayor of the municipality, personally commanded the campaign.

During this two-month campaign, public security, judicial, and court organs seized a total of 2,820 offenders of various kinds, destroyed 440 criminal gangs, and cracked 7,136 criminals cases of various kinds. Various districts and counties in the municipality held a total of 575 open trials to pass sentence on 1,728 criminals. Regarding the maintenance of social order as their own duty, the broad masses of the people in the municipality provided public security organs with 3,139 clues for solving law violation cases, and 1,273 cases were cracked with the help of the masses. More than 150 masses bravely stepped forward to struggle against criminals face to face, and 196 criminals were seized and handed over to the public security authorities by the masses.

**Northeast Region****Heilongjiang Secretary Visits Harbin Officials***SK0306012494 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 1 Jun 94*

[Text] Accompanied by Wang Xianmin, member of the standing committee of the provincial party committee and secretary general, Yue Qifeng, secretary of the provincial party committee, visited the Harbin city party committee and the city government today and exchanged views with comrades of relevant departments on how to build Harbin into an international economic and trade city as quickly as possible. Tian Fengshan, acting governor, and Ma Guoliang, deputy secretary of the provincial party committee, were also present at the meeting.

Yue Qifeng said: Harbin is our country's [words indistinct] city with a brilliant history. In the present reform and opening up, it is still very highly renowned. Harbin has conditions for building itself into an international economic and trade city. However, it should also relatively make readjustments. First of all, it should emancipate the thinking and change the irrational industrial structure; second, it should be determined to readjust the production set-up and exert strenuous efforts to develop tertiary industry.

Yue Qifeng stressed: Changing the city functions needs the enthusiasm from various sectors. In addition to boosting the enthusiasm of large and medium-sized enterprises, it is also necessary to give full play to the enthusiasm of small enterprises and let them enter the market. In this aspect, we should expand the functions of all districts and enable them to realistically become first-level organizations in an effort to promote the economic development of districts and neighborhoods.

He said: The greater the hinterland a city has the more advantages it will have for its future development. So,

Harbin must have good plans for developing what it intends to develop and so do its neighboring areas.

Yue Qifeng pointed out: The future development lies in trained personnel and trained personnel lies in education. Harbin is a scientific, technological, educational, and cultural center, which should give play to the advantages of trained personnel and decontrol scientific research units and trained personnel. It must not be afraid of letting the knowledgeable people become prosperous ahead of others. It is necessary to formulate policies and actively develop nongovernmental scientific research organs in an effort to form new economic growing points.

Yue Qifeng stressed at the end of this speech: Harbin has quite a number of large and medium-sized enterprises. The local government should support and serve large and medium-sized enterprises, and use their advantages to bring along the development of regional economy.

#### **Liaoning Implements Reform of Petroleum Distribution System**

SK0306030394 Shenyang LIAONING RIBAO in Chinese 20 May 94 p 1

[Text] Following the opinions of the State Planning Commission as well as the State Economic and Trade Commission on reforming the circulation system of crude oil and refined oil, which were approved by the State Council recently, Liaoning began implementing an important adjustment on the circulation system of crude oil and refined oil on 1 May. Resources would be distributed, and prices fixed by the state in a unified manner.

In the past few years, the issue of Liaoning's irrational management system as well as unreasonable prices of oil products has become more conspicuous with each day. Dispersed resources of oil products, overlapping in management, failure in price control, and chaos in the market have become more and more serious, thus providing the soil for speculators, profiteers, and law and discipline violators to take the opportunity to reap staggering profits and engage in corrupt practice. Therefore, it is necessary to take effective measures to reform the current circulation system of crude oil and refined oil, to strengthen the macro-management of the production and circulation of crude oil and refined oil, to rationalize the prices of oil

products, to rectify the order of circulation, to reduce circulation links, and to establish, step by step, a standardized, vigorous, and orderly circulation system of crude oil and refined oil which meets the demands of a socialist market economy.

The major content of this reform is to achieve reasonable distribution of resources, letting the refineries belonging to the Petrochemical General Company process land crude oil and imported crude oil in a unified manner. For the marketing of refined oil, distribution will be made under state guidance to change the duplicate and decentralized management. The prices will be fixed by the state. The state's control of the producer prices, wholesale prices, and retail prices of crude oil and refined oil not only ensures the profits of the producers and consumers but also keeps the prices stable. Categorization of taxes and rate of taxation will be unified. Unified tax categories and tax rates will be applied to all the coastal areas, inland areas, special zones, and development zones as well as state-owned, collective, "three types of foreign-funded," and individual enterprises which deal in crude oil and refined oil. Governments at all levels should not give them preferential treatment by reducing or exempting their taxes or fix their tax quotas. Sale channels should be made reasonable, and intermediate links should be reduced. Provincial, city, and county petroleum companies should be the main channels of selling refined oil, and the resources of refined oil should be distributed by the petroleum companies at all levels in a unified manner according to plans. All refineries should sell petroleum only to petroleum companies. Current refined oil wholesale organizations should be screened and reorganized, and retail gas stations (spots) should be rectified. Party, government, and army organs at all levels are not permitted to engage themselves in the wholesale and retail sale of crude oil and refined oil. The wholesale organizations which have been reorganized will be brought into the main sales channels. Gas stations, which prove qualified to engage in the business after joint investigation and rectification, should phase in the system of sales on a commission basis. They should replenish their stock from the local petroleum companies and sell according to the retail price set. Those who do not sell at the set price, pass the bad off as the good, give short measure, and evade taxes will have their oil supplies stopped and their status as sales agents canceled.



**Editorial Views President Clinton's MFN Renewal***OW0206221694 Taipei LIEN HO PAO in Chinese 28 May 94 p 2*

[Editorial: "Comment and Analysis of President Clinton's Announcement on Renewing Most-Favored-Nation (MFN) Status to Mainland China"]

[Text] President Clinton officially announced yesterday that the U.S. Government would extend MFN trading status to mainland China in order to comprehensively improve relations with Communist China. Clinton conceded that Communist China had made some progress in the human rights situation on the mainland, but was still far behind Washington's demand for overall significant progress; however, to develop "a larger and more productive framework of relationship" with Communist China, he decided to no longer "link" the human rights issue with trade with the mainland. Hence, the long-clamored question of whether the United States should continue MFN status to Mainland China is now settled.

Though Clinton also announced, in passing, the decision to ban imports of Mainland Chinese-made ammunitions, this cannot serve a punitive or warning purpose for Communist China in view of current U.S. public opinion's strong opposition to the rampant privately-owned weapons in the country. Furthermore, ammunitions accounted for only a tiny fraction of the mainland's trade with the United States, which also bans imports of ammunitions from European countries. Therefore, as a U.S. congressman put it, Clinton's decision is tantamount to an unconditional renewal of the MFN trading status for the mainland as well as an open retreat from the human rights condition he insisted on during his election campaign and in an executive order last year. For this reason, though there had been signs of the Clinton administration's pending renewal of MFN, people were mildly surprised by the content of the announcement. No wonder there have been wide-ranging reactions from the Capitol Hill and mass media.

In fact, even though he was clearly aware of an inevitable wave of uproar from the Congress, President Clinton still made the decision, which cannot be easily justified. This indicates that Washington, after a thorough assessment, ascertained that a practical policy toward Mainland China would be more in line with the U.S. national interests. Why? On the one hand, U.S. entrepreneurs, having placed high expectations on the mainland's market potential, were strongly opposed to any government measure that would undermine trade with Communist China. On the other hand, the strategy to link trade with human rights was obviously a self-contradictory one.

In countries entirely dependent on U.S. economic aid, this strategy may yield some results. However, in those which have developed mutually beneficial and interdependent trade and economic relations with the United States, the strategy of "carrot and stick" could easily be associated with and referred to as an expression of U.S. hegemonism;

and hence, can be devoid of moral persuasive and practical deterrent powers. It goes without saying that human rights symbolize "universal" principles of values while bilateral trade and economic relations concern each other's "specific" interests. These two are not issues belonging to the same category. By forcibly mixing them together, the consequences would be either a serious collision between the two sides, or retreat from the strategy and admission of its failure at an opportune time after the other side responded in an appropriate manner.

The results are now barred. The Clinton administration opted for the latter. From the perspective of idealism and humanitarianism, the decision on MFN renewal is indeed clear proof of the failure on the part of the United States to live up to its moral standards; however, based on the concepts of peaceful coexistence, mutually beneficial trade and economic relations, and the geo-economy—ideas that have guided the international situation in the post-Cold War era—Washington's decision is not at all difficult to understand. At any rate, however, the announcement on MFN renewal is tantamount to declaring that the Clinton administration has changed its "Cold Peace" tactics of relaxing one minute and tightening up the next and of interweaving with contradictions—tactics which the United States had at one point adopted in viewing Communist China as its chief imaginary enemy since the disintegration of the Soviet Union—and has entered a pragmatic era of facing Mainland China squarely as one of its important trading partners.

Washington's change of attitude was prompted primarily by the impressive progress in Mainland China's economic development in the past nearly three years. Although the mainland will not necessarily become the world's largest "unified market" at the beginning of the next century as some authoritative economic research institutes have predicted, its economic growth rate and development potential cannot be ignored. U.S. State Department officials repeatedly pointed out: While Germany, France, Japan, and other economic powers are trying hard to gain market shares in the mainland, and in the wake of numerous investment and cooperation agreements signed after visits to Peking [Beijing] by these countries' top-level economic delegations led by their premiers, it was absolutely impossible for the United States, for the sake of its economic and trade interests, to "exclude itself from the mainland's markets." In this way, the State Department officials simply pointed out the real reason behind Washington's MFN renewal to the mainland. Moreover, as far as strategy is concerned, the United States needed to prevent a renewed alliance between Russia and Communist China as well as to coordinate with Communist China to exert pressure on North Korea to defuse the nuclear crisis in Northeast Asia. For this reason, how could the United States continue to maintain its tough posture?

It is noteworthy that originally the United States wanted to maintain its "Cold Peace" tactics and to wait and see what would happen in the "post-Teng Hsiao-ping [Deng Xiaoping]" mainland. If, by that time, the mainland remained stable and its economy developed smoothly, the United

States, to take part in and lead the Asian-Pacific economic rim to seek hefty commercial interests, would definitely try harder to accommodate Communist China. If the mainland were to become turbulent and communist Chinese leaders lose the ability to control the political situation, Washington would go all out to deal with Mainland China as it had with Russia, by launching "dismemberment" tactics to eliminate a potential rival of the United States. Nevertheless, the Clinton administration, after viewing comprehensive assessments prepared by the State Department, the Pentagon, and the Central Intelligence Agency, tended to believe that the "post-Teng" mainland would not necessarily see turmoil; moreover, a stable mainland at that time could be more useful to the United States. Therefore, the decision on MFN renewal also vaguely contains the results of Washington's study and assessment of the future situation on the mainland as well as its policy based on the study and assessment. In light of this, it is not difficult to understand that immediately after Clinton announced the MFN decision, Undersecretary of State Lord declared that the United States had no intention whatsoever of "playing the Taiwan card" to contain Communist China.

We believe that the U.S. MFN renewal for Mainland China is conducive to the mainland's economic stability and improvement of the people's livelihood, as well as to the prosperity of the "Chinese economic sphere" of Hong Kong, Taiwan, Singapore, and Malaysia, which have closer economic exchanges with the mainland; and therefore, the MFN renewal is a practical decision. However, this does not mean that Communist China can turn a deaf ear to improvement of the human rights situation in the mainland. After all, this question has already attracted the international community's keen attention and Communist China has no reason to ignore this question even after obtaining MFN status, because not only will the United States continue to monitor closely the progress of human rights improvement, but this is also a matter involving the values of civilization and the dignity of the Chinese people.

#### **Ministry 'White Paper' Outlines 10-Year Industrial Policy**

OW0306092994 Taipei CNA in English 0732 GMT 3 Jun 94

[By Sofia Wu]

[Text] Taipei, June 3 (CNA)—The Ministry of Economic Affairs Friday [3 Jun] unveiled a white paper outlining the country's industrial policy for the next 10 years.

It was the first time the ministry published a white paper detailing the country's industrial growth targets.

According to the paper, Taiwan's industrial production is expected to reach US\$320 billion by 2002, with the annual growth rate set at 6 percent. This is nearly double the current production of about US\$188 billion.

The paper said the "brain industry" will be the mainstay of future world industry, with "knowledge-intensive" products dominating the merchandise market.

The ministry will thus give priority to encouraging development of high-technology, high value-added and high-quality products, the paper said.

It noted that the textile industry will continue to boast the top production value at the turn of the century, but the information industry will be the fastest growing sector.

By 2002, Taiwan's annual textile output will reach US\$34.6 billion, while its information industry production will hit US\$25 billion.

The annual growth target for technology-intensive industries is set at 9.5 percent for the next 10 years. They will be the driving force behind Taiwan's future economic development, the paper said.

In addition to the information industry, the paper said, the machinery, vehicle, consumer electronics, pharmaceutical and petrochemical industries also have great development potential.

Traditional labor-intensive industries like textiles and footwear are expected to grow at an annual rate of 4.5 percent over the next decade.

Machinery output will grow by 1.5-fold to hit US\$25.6 billion by the turn of the century, while petrochemical production is expected to reach US\$23 billion. The paper said Taiwan's petrochemical output will be able to satisfy 74 percent of its annual market demand by 2002, compared with the current less than 60 percent.

#### **Niger President, Delegation Begin Visit**

OW0306094794 Taipei CNA in English 0725 GMT 3 Jun 94

[By Danielle Yang]

[Text] Taipei, June 3 (CNA)—Visiting Niger President Mahamane Ousmane said he is interested in agricultural cooperation with Taiwan during a visit to the Council of Agriculture (COA) Friday [3 Jun] morning.

Ousmane said he hoped Taiwan can assist Niger in developing agricultural technology to promote the economic development and improve people's living standard in his country.

Accompanied by Foreign Affairs Minister Chien Fu, Ousmane was received by COA Vice Chairman Wu Tongchuan and heard a briefing from Wu.

Ousmane is especially interested in Taiwan's cultivation of sugar cane and fruits, preservation of water and soil resources, and agricultural budget as well as the small-farm system which Taiwan is developing.

Taiwan began to offer agricultural and medical assistance to Niger two years ago to teach people there how to improve planting of agricultural products. Ousmane also said he hoped Taiwan can assist Niger in developing technology and education in the future.

Earlier in the morning, Ousmane visited the Government Information Office (GIO) and viewed the multimedia introduction to the Republic of China [ROC]. He said he is impressed with the vitality and spirit seen in Taiwan.

Ousmane said that the ROC should be allowed participation in the United Nations and other international organizations. He added that his visit aims to reaffirm Niger's support of the ROC's UN bid.

Niger resumed diplomatic ties with Taiwan in 1992. Ousmane is the first Niger president to visit Taipei. He was elected to lead the West inland African country in 1993.

Ousmane arrived here Thursday for a six-day visit. He is accompanied by Niger's Foreign and Cooperation Minister Abdourahamane Hama, Trade, Transportation and Tourism Minister Souley Abdoulaye, and other ranking officials.

#### **Visit of Lien Chan to Central America**

*WA0306115994*

For reportage on the visit to Central American countries by Taiwan Prime Minister Lien Chan, including his attendance of the inauguration of El Salvador President Armando Calderon Sol and his subsequent visit to Guatemala, please see the 2 June Latin America DAILY REPORT and subsequent issues.



## Hong Kong

### Official Says Human Rights Commission 'Unnecessary'

HK0306052994 Hong Kong EASTERN EXPRESS in English 3 Jun 94 p 2

[By Rain Ren]

[Text] China yesterday dismissed the controversy about a human rights commission and freedom of information legislation as irrelevant.

Zhang Junsheng, the deputy director of the Hong Kong branch of the New China News Agency (Xinhua), said Hong Kong people already enjoyed "all kinds of freedom and their human rights are well safeguarded".

"In the Basic Law, their freedoms and human rights are protected," he said.

"There is a whole chapter in the mini-constitution which spells out clause by clause the fundamental rights and duties of Hong Kong residents. It also stipulates that provisions in three international conventions as applied in Hong Kong will remain in force after China takes over.

"So it does not matter whether we support or oppose the idea, the fact is that it is completely unnecessary to set up such a human rights commission again.... If the commission was to be set up, we've made it clear that it will be dismantled after 1997."

Zhang was responding to reports that the Government has turned down measures to set up a human rights commission and increase freedom of information because it fears upsetting China.

The Government is today expected to announce a compromise package of other anti-discrimination measures including an equal opportunities commission and a United Nations convention to protect women's rights.

The Chief Secretary, Anson Chan, said yesterday that the Government was fully committed to protecting human rights but there had to be some measures that were "durable".

"What we want to do in the coming weeks and months is to give careful consideration to the next steps that we should take to strengthen human rights and will have the opportunity of continuing both now and after 1997," Chan said.

### Article Views Future of Pro-Democracy 'Alliance'

HK0306051294 Hong Kong SOUTH CHINA MORNING POST in English 3 Jun 94 p 23

[Article by Chan Wai-fong and Daniel Kwan]

[Text] When followers of the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China assemble in Victoria Park tomorrow night for the annual June 4th candle-light vigil, they will not just be there to mourn those killed five years ago at Tiananmen Square.

They might also be witnessing the closing chapters of the story of the Alliance.

Tough-talking by Beijing officials and last week's scuffles between Alliance members and Hong Kong police outside the Xinhua headquarters in Happy Valley have left people with little doubt that the Alliance, already branded "subversive" by Beijing, will not be allowed to survive after 1997.

Formed in 1989 at the height of the democracy movement, the Alliance—an umbrella organisation with 222 member subgroups—is the largest political organisation in Hong Kong dedicated to the promotion of democracy in China.

In the past five years, it has consistently condemned political prosecution and called for the release of political prisoners in China. Every year, its schedule is filled with events to remind forgetful people in Hong Kong of those sad days in 1989 and of mainland activists in jail for taking part in the movement. At an information centre set up by the Alliance, news clippings, books, journals and video tapes are freely available to anyone interested in learning more about the democracy movement.

Apart from all these activities the Alliance has been acting discreetly behind the scenes. Dozens of mainland dissidents have been smuggled out of China with its assistance. Many have been granted asylum and have settled in the West. It also maintains an extensive communications network with dissidents in the mainland who have been forced underground by the authorities.

But when the soldiers from the People's Liberation Army march across the Shenzhen River at midnight on June 30, 1997, all these contacts may come to an end.

Although they won't admit it in public, many of the Alliance leaders are prepared—at least psychologically—for the grand finale. Its financial reserve which stood at about HK\$5.7 million [Hong Kong dollars] by last April can be depleted by 1997.

"We have paid the price for doing all these things," said liberal legislator Cheung Man-kwong, who is a member of the Alliance's standing committee. "(Those in the Legislative Council) will have to step down in 1997...It is our conviction that the crackdown will one day be rehabilitated."

At present, seven of the 20 standing committee members of the Alliance are Legislative Councillors. Since there will be no "through-train" for the council in 1997, their membership of the Alliance will not affect their chances of serving beyond the handover. It will, ironically, probably help boost their image to help them win seats in the 1995 elections.

While it is obvious that the days of the Alliance are numbered, there is little indication of what its leaders are preparing to do in the final count-down.

Veteran activist Lau Shan-ching, who spent 10 years in a Chinese jail for his political views, believes the Alliance

might have to shut down its underground operation and act strictly according to the law.

"I think the Alliance may have to stop activities like smuggling dissidents out of China that can be considered illegal after 1997," said Mr Lau who is also a member of the standing committee. "Although we will stand firm on our principles, we can't afford to give them an excuse to disband us."

The activist, often criticised for his radical political views, warned that the 1997 deadline could prove more unpredictable than most people expect if the future Special Administrative Region government handles it poorly.

"There will be demonstrations on July 1, 1997...but I don't expect the Alliance will play a leading role.

Its (the Alliance's) leadership is kind of conservative," Mr Lau said.

He also feared that if the Alliance was disbanded by the future SAR government its followers would be driven into forming "radical political groups" resulting in chaos in the streets.

"They (the SAR government) will have to go to court if they are to disband us. If that happens, I am not sure that they will win," he said.

His biggest criticism of the Alliance was that it has failed to offer its followers a clear political direction on China and has done very little in counteracting the psychological warfare launched by Beijing after the 1989 crackdown.

While he acknowledged the Alliance had promoted concepts such as press freedom and right of assembly among its followers, it had failed to "educate" them about "falsehoods" propagated by the communist party.

"I think it is not enough just to call for the rehabilitation of June 4. The Alliance has to point out more forcibly that all these problems China is facing today are in one way or another because of the crackdown. People are beginning to agree with them [communists] that the crackdown was justified as the economy is booming and the situation in China is stable. But that's not true, he said.

"We must point out that the Communist Party has lost its ideology. It is bound to fall apart after Deng Xiaoping dies. That's what the Alliance has failed to do.

"Without a clear message, we will lose our support."

Mr Cheung dismissed the suggestion that public support for the Alliance was fading although less people were taking part in its organised activities.

"Who still goes to Xinhua to protest these days? The heat has died down. We cannot attract the media any more. News of our activities has been placed far down the page in newspapers. But it's exactly because of these things that there is a need to go shouting against these abuses. It's easy to forget. Once people forget the pressure (on the Chinese Government) would also be reduced," he said.

Looking forward, Mr Cheung said with many dissidents now either in hiding or exile, the Alliance would concentrate on lesser-known activists in prison, like Shanghai dissident Yang Zhou.

"We will fight till the last minute. Even though it's the last minute should we not fight then?" Mr Cheung said.

"Don't underestimate the silence at the moment. A large number of the people who have witnessed the bloody crackdown still live. And no one could forget the Nanjing massacre," a reference to the 1937 massacre by the invading Japanese army.

If the Alliance survives after 1997, Mr Lau said, it would be the first group of political activists to organise memorial activities on June 4 in land ruled by China.

### Security Police Will Pursue 'Hostile' Elements

HK0306080494 Hong Kong CHENG MING in Chinese No 200, 1 Jun 94 p 14

[By Kuan Chieh (7070 2212): "CPC Vows to Come down to Hong Kong to Make Arrests"]

[Text] At a national work conference of public security, state security, armed police, and judicial department chiefs (bureaus) convened in Beijing in the first half of April, the CPC made known for the first time that public security and armed police officers have the power to track down and arrest key members and ringleaders of hostile organizations outside the borders who are involved in and mastermind violence and sabotage and who agitate to overthrow the socialist system and the central people's government on the mainland.

The headline sounds scary.

But it is genuinely true.

### "Resolutely Strike at Hostile Elements Colluding with Hostile Organizations Overseas"

The CPC convened from 7 to 9 April a national work conference of the heads of public security, state security, armed police, judicial departments (bureaus). High on its agenda was a resolute ban on outlawed hostile organizations and a stern crackdown on subversive activities and sabotage by hostile forces. Ren Jianxin, Luo Gan, Xiao Yang, Ba Zhongxin, Tao Siju, and others attended and addressed the conference. Ren Jianxin spoke on behalf of the CPC Central Committee Secretariat and State Council: Banning and striking at organized activities to agitate and subvert the state and people's government and destroy social order by outlawed organizations and hostile forces are the main tasks in safeguarding state security, defending the constitution, and protecting social order. This is especially true for crack downs on domestic hostile forces and elements either colluding with overseas hostile political forces or those overseas who are working against China and the CPC or are in the employ of overseas hostile political forces and organizations, and this remains a key job for public security, the armed police, and judicial departments.

Ren Jianxin said: As soon as something goes wrong in society or there is a slight change in the climate of the outside world, domestic hostile forces and elements will emerge and pursue agitation, sabotage, and subversion with overseas hostile forces. This is regardless of what people might think about these matters, and these forces and elements will desist because of our warnings. Agitation, sabotage, and subversion are the missions of these hostile forces. Overthrowing the socialist system and the people's government and creating chaos in tandem with the hegemonic powers' China strategies are the objectives of these hostile forces, both outside the border and overseas.

**"Public Security Has the Power To Track Down and Arrest Key Members of Hostile Organizations Outside the Border"**

Regarding "counterrevolution," the conference chose to stress and pay more attention to its substance rather than its name. The conference came to a consensus on jail term reductions, parole, and medical parole for good behavior for criminals on counterrevolutionary charges. The conference made known, for the first time, that under specifically defined circumstances, public security and armed police officers have the power to track down and arrest key members and ringleaders of hostile organizations outside the borders whose involvement in masterminding violence, sabotage, and agitation in the mainland to overthrow the socialist system and the central people's government has been proven.

**The Wolf Is Really Coming**

"Outside the borders" in CPC parlance refers to Hong Kong and Macao. If we read between the lines of the above statements and check them against the report on "a hundred Hong Kong people blacklisted" in the December 1993 edition of our journal and the "Success 240" military exercise reported in the article on the "Guangzhou Military Region's mock takeover of Hong Kong" in the February 1994 edition, which reveals that CPC public security officers have been stationed in Hong Kong since as early as 1992, and link them with the early secret visits to Hong Kong by a massive number of CPC officials, they will get a good idea of how well prepared the CPC is for the move. Lu Ping's statements on his recent visit about Hong Kong being an economic city and not a political city also foreshadows such a move!

Even before the death knell of 1997, the good-natured Hong Kong people will witness the horrific drama of CPC people coming down to Hong Kong to make arrests with force.

There was once a person who cried that the "wolf was coming," which turned out to be a false alarm. But this time, the wolf is really coming.

**Article on Beijing's Plan To Control Media**

HK0306094794 Hong Kong KAI FANG in Chinese No 6, 1 Jun 94 pp 13-14

[Article by Wang Hai-tao (3076 3189 3447): "CPC Authorities Secretly Draft Journalism Regulations for Hong Kong"]

[Text] After the Xi Yang incident, mass media people in Hong Kong feel that the CPC authorities have adopted a tough approach to the Hong Kong media without any willingness to compromise. Retaliation was immediate against those Hong Kong reporters who signed a statement boycotting official propaganda events in China, and they were not to be allowed to cover news related to the Qindao Hu incident. The rapid retaliation by the CPC authorities shocked many people.

An informed source in the CPC propaganda department said that the tough approach taken by the CPC authorities to the Hong Kong media was related to the "leftist" shift of their general policy toward Hong Kong. Lu Ping's recent remarks negating Hong Kong's role as a political city show that the CPC authorities have in fact revised the "one country, two systems" policy laid down by Deng Xiaoping to deal with the Hong Kong issue. At present, the CPC's interpretation of the "one country, two systems" policy is: the "one country, two systems" formula refers only to the economic system; that is, Hong Kong may continue horse racing, night club dancing, and stock speculation. However, Hong Kong people must not be allowed to oppose the Communist Party in the political realm and must abide by the four cardinal principles. That is, in the political realm, there will be no "one country, two systems." Such an interpretation is substantially different from their previous position of allowing people to swear at the Communist Party.

According to the source, the CPC authorities recently decided to bring mass media operations in Hong Kong under strict control after 1997 in order to guarantee social stability and guarantee China's exercise of sovereignty over Hong Kong. They will not allow some people to "create disturbances" in Hong Kong by using press freedom.

An informed source revealed that a relevant department of the CPC authorities had set up a special body to secretly formulate rules of behavior and management regulations for the press in Hong Kong after 1997. This will substantially narrow the scope of press freedom in Hong Kong from what it is now.

He said: Another measure the CPC authorities will take is to run a party organ fully representative of Beijing's position. The newspaper will be directly run by the government of the special administrative region [SAR] and could be named XIANGGANG TEQU BAO [HONG KONG SPECIAL REGION JOURNAL]. He said the plan had been put into practice, and a number of officials would be transferred from various journalist units to Hong Kong batch by batch to prepare to publish the newspaper. Reportedly, a deputy editor-in-chief of BEIJING RIBAO



has recently been appointed as deputy editor-in-chief of TA KUNG PAO, and he will also be on the preparatory group of XIANGGANG TEQU BAO.

The informed source also said that in his view and that of his friends, if major change does not take place in the Chinese Government, after 1997, the press freedom enjoyed by Hong Kong people today will be substantially restricted by the Beijing authorities. As things are different than the mainland, the CPC authorities will not control the nonpolitical parts of the press. However, political news reportage will be brought under strict control according to news rules and regulations. He said that it was still unclear how the new rules and regulations would be formulated, because the Beijing authorities kept things highly secret in this regard. It is expected that the CPC authorities will lay down restrictions on subjects and opinions to be handled by the press in the name of safeguarding state security and

interests, maintaining social stability, and preventing subversive activities against the government. The SAR government will be authorized to close down mass media which violate the regulations, or legal action may be taken against them.

However, he thought that the CPC authorities would not release regulations for controlling the press too soon. They would not do this until the date of government transfer in 1997 is very close, because such an act is obviously a violation of the Sino-British Joint Declaration and the Basic Law. Press freedom is the last line of defense for Hong Kong people to safeguard their current lifestyle. The British have never published any official organs in Hong Kong. The overall plan Beijing will use to control the press and public opinion in Hong Kong will certainly destroy Hong Kong people's confidence and could even throw the local community into complete chaos.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

#### SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.

**END OF**

**FICHE**

**DATE FILMED**

6 JUNE 1994



